

**Commonwealth–State Housing
Agreement national data
reports 2003–04**

Home purchase assistance

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HOUSING ASSISTANCE DATA DEVELOPMENT SERIES

Commonwealth–State Housing Agreement national data reports 2003–04

Home purchase assistance

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1 Introduction

This document is part of a series of documents that report about all forms of housing assistance under the 2003 Commonwealth State Housing Agreement (CSHA).

These are:

- public rental housing
- community housing
- state owned and managed Indigenous housing
- home purchase assistance
- Crisis Accommodation Program
- private rent assistance.

This document reports on the data collected under the 2003-04 home purchase assistance data collection. The data manual for this collection is available at <http://www.aihw.gov.au/housing/assistance/data_collections/index.html>.

2 Background

The 2003–04 collection is the first home purchase assistance collection of to occur under the 2003 CSHA. The 2003 CSHA aims to provide appropriate, affordable and secure housing assistance for those who most need it, for the duration of their need.

The following four specific outcomes under the CSHA apply to home purchase assistance and the first two of these were included in the 2003–04 home purchase assistance data collection:

- targeting of assistance to those in need
- affordability of assistance provided
- customer satisfaction
- efficient use of assets.

This document examines the outcome and descriptor data items collected in the 2003–04 home purchase assistance data collection.

3 General notes

This data should be read in conjunction with the home purchase assistance data manual 2003–04 provided at <http://www.aihw.gov.au/housing/assistance/data_collections/index.html>.

3.1 Symbols

..	not applicable
n.a.	not available
no.	number
\$	Australian dollars
%	per cent

3.2 Scope

Variation exists between jurisdictions regarding the types of home purchase assistance offered. Table 3.1 outlines the home purchase assistance program coverage for each jurisdiction.

Table 3.1: CSHA home purchase assistance 2003–04 programs by jurisdiction

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Direct lending	..	current	current	current	current	current	..	current
Deposit assistance	..	..	current	..	..	current	..	current
Interest rate assistance	..	..	current	current	current	..	..	current
Home purchase advisory and counselling	current	..	..	current	..	..	..	..
Mortgage relief	current	current	current	..	..	..	..	..
Other	..	current	current	current	..	..	..	..

Note: 'Current' represents programs which are accepting new clients for year ending 30 June 2004 (i.e. where a jurisdiction is phasing out a program and only continuing to service clients until the end of their contractual obligations, these programs are not counted as current).

Some programs offered by jurisdictions may fall under two or more categories. For example, where a jurisdiction provides direct lending to finance the purchase of a dwelling it may also provide all or part of the deposit required to secure the purchase. Where possible, individual elements of home purchase assistance are reported separately in this data collection report.

3.3 Reporting structure

Some data items have been disaggregated by the following home purchase assistance types:

- direct lending (H1)
- deposit assistance (H2)
- interest rate assistance measures (H3)
- mortgage relief (H4)
- home purchase advisory and counselling services (H5)
- other forms of assistance (H6).

The reporting structure for the home purchase assistance collection allows data for each sub-program to be reported according to the form of assistance provided.

The forms of assistance were defined as:

- **one-off assistance:** refers to assistance that aims to meet a specific event, such as direct lending or deposit assistance for the purchase of a home.
- **ongoing assistance:** refers to assistance that covers a specific length of time, such as interest rate assistance measures for a 6-month period.
- **assistance is repayable:** when the client has an obligation to repay, in part or full, the value of assistance provided. The repaying of assistance can be delayed for a period of time (e.g. 12 months after the loan was provided).
- **assistance is non-repayable:** when the client has no obligation to repay any of the value of the assistance provided.

Jurisdictions were required to provide data according to the form of home purchase assistance that was available in their jurisdiction. For example, if deposit assistance was a one-off repayable program, only the data items for this form of assistance have been provided. If deposit assistance was both a one-off repayable and an ongoing repayable program, the relevant data items for each form of assistance have been provided.

The data items collected for each form of assistance are outlined in Figure 3.1.

Figure 3.1: CSHA 2003–04 home purchase assistance data collection items

Direct lending (H1)	One-off-repayable ^(a)	H1-6a	Total number of new households assisted for year ending 30 June 2004		
		H1-6b	Total number of new Indigenous households assisted for year ending 30 June 2004		
		H1-6c	Total value of assistance provided for year ending 30 June 2004		
		H1-6f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year		
		H1-6g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year		
		H1-6h	Total number of instances where unrecoverable debts were written off for year ending 30 June 2004		
		H1-6i	Total value of unrecoverable debts written off for year ending 30 June 2004		
		Deposit assistance (H2)	One-off-non-repayable	H1-6a	Total number of new households assisted for year ending 30 June 2004
				H1-6b	Total number of new Indigenous households assisted for year ending 30 June 2004
H1-6c	Total value of assistance provided for year ending 30 June 2004				
Interest rate assistance (H3)	Ongoing-repayable	H1-6a	Total number of new households assisted for year ending 30 June 2004		
		H1-6b	Total number of new Indigenous households assisted for year ending 30 June 2004		
		H1-6c	Total value of assistance provided for year ending 30 June 2004		
H1-6d		Total number of all households assisted for year ending 30 June 2004			
H1-6e		Total number of all Indigenous households assisted for year ending 30 June 2004			
H1-6f		Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year			
H1-6g		Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year			
H1-6h		Total number of instances where unrecoverable debts were written-off for year ending 30 June 2004			
H1-6i		Total value of unrecoverable debts written off for year ending 30 June 2004			
Mortgage relief (H4)	Ongoing-non-repayable	H1-6a	Total number of new households assisted for year ending 30 June 2004		
		H1-6b	Total number of new Indigenous households assisted for year ending 30 June 2004		
		H1-6c	Total value of assistance provided for year ending 30 June 2004		
H1-6d		Total number of all households assisted for year ending 30 June 2004			
H1-6e		Total number of all Indigenous households assisted for year ending 30 June 2004			
Home purchase advisory and counselling services (H5)	Ongoing-repayable	H1-6a	Total number of new households assisted for year ending 30 June 2004		
		H1-6b	Total number of new Indigenous households assisted for year ending 30 June 2004		
		H1-6c	Total value of assistance provided for year ending 30 June 2004		
Other (H6)	Ongoing-non-repayable	H1-6a	Total number of new households assisted for year ending 30 June 2004		
		H1-6b	Total number of new Indigenous households assisted for year ending 30 June 2004		
		H1-6c	Total value of assistance provided for year ending 30 June 2004		

(a) Data items are not in chronological order as not all items are collected for this form of assistance.

3.4 Data collection coverage

Reporting about Indigenous status of new and all households assisted was variable due to data availability issues.

3.5 Data qualifications

In addition to minor qualifications detailed in the footnotes the following qualifications apply to the reported data.

1. The national data reports about only the forms of home purchase assistance that are currently available for each jurisdiction. The following forms of assistance are not reported:
 - direct lending (H1): one-off non-repayable and ongoing non-repayable
 - deposit assistance (H2): ongoing repayable and ongoing non-repayable
 - interest rate assistance (H3): one-off non-repayable
 - mortgage relief (H4): one-off non-repayable and ongoing non-repayable
 - home purchase advisory and counselling services (H5): ongoing repayable and ongoing non-repayable
 - other (H6): ongoing repayable and ongoing non-repayable.
2. Totals are calculated using only those states and territories where information is available. Due to the sparse coverage of national data in relation to particular program types, please note that not all jurisdictions will be represented in the totals.
3. The number of households assisted does not correspond to the actual number of households (i.e. this is the number of instances of assistance provided to households).

4 CSHA 2003–04 home purchase assistance data

4.1 Summary data

Table 4.1: Home purchase assistance summary data 2003–04

Descriptors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)	
Direct lending: one-off repayable										
H1a	Total number of new households assisted for year ending 30 June 2004 (number)	0	0	41	4,346	..	121	..	194	4,702
H1b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	0	n.a.	0	27	..	n.a.	..	0	27
H1c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	0	0	3,245	530,300	..	5,900	..	20,434	559,879
H1f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)	1,438	5,286	3,977	15,152	..	1,739	..	1,943	29,535
H1g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)	77,700	132,784	86,699	1,053,720	..	40,075	..	135,995	1,526,973
H1h	Total number of unrecoverable debts written off for year ending 30 June 2004 (number)	2	5	1	67	..	3	..	0	78
H1i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	36	2	1	1,600	..	4	..	0	1,643
Direct lending: ongoing repayable										
H1a	Total number of new households assisted for year ending 30 June 2004 (number)	..	46	..	..	2,671	..	..	..	2,717
H1b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	n.a.	..	..	24	..	..	..	24
H1c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	6,008	..	..	247,211	..	..	..	253,219

(continued)

Table 4.1 (continued): Home purchase assistance summary data 2003–04

Descriptors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)	
Direct lending: ongoing repayable (continued)										
H1d	Total number of all households assisted for year ending 30 June 2004 (number)	..	99	..	..	13,465	..	..	..	13,564
H1e	Total number of all Indigenous households assisted for year ending 30 June 2004 (number)	..	n.a.	..	..	24	..	..	..	24
H1f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)	..	51	..	..	10,794	..	..	..	10,845
H1g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)	..	6,161	..	..	540,867	..	..	..	547,028
H1h	Total number of unrecoverable debts written off for year ending 30 June 2004 (number)	..	0	..	..	31	..	..	..	31
H1i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	..	0	..	..	346	..	..	..	346
Deposit assistance: one-off repayable										
H2a	Total number of new households assisted for year ending 30 June 2004 (number)	..	..	..	..	..	..	..	..	..
H2b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	..	..	..	..	..	..	..	..
H2c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	..	..	..	..	..	..	..	..
H2f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)	..	..	90	..	..	..	..	..	90
H2g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)	..	..	1,100	..	..	..	..	..	1,100
H2h	Total number of unrecoverable debts written off for year ending 30 June 2004 (number)	..	..	0	..	..	..	..	..	0
H2i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	..	..	0	..	..	..	..	..	0

(continued)

Table 4.1 (continued): Home purchase assistance summary data 2003–04

Descriptors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)	
Deposit assistance: one-off non-repayable										
H2a	Total number of new households assisted for year ending 30 June 2004 (number)	..	..	18	..	..	244	..	281	543
H2b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	..	0	..	..	n.a.	..	5	5
H2c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	..	68	..	..	990	..	372	1,430
Interest rate assistance: one-off repayable										
H3a	Total number of new households assisted for year ending 30 June 2004 (number)	..	..	..	23	..	..	..	..	23
H3b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	..	..	15	..	..	..	..	15
H3c	Total value of home purchase assistance provided to households for year ending 30 June 2004 (\$'000)	..	..	..	64	..	..	..	..	64
H3f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)	..	..	..	..	..	..	..	..	..
H3g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)	..	..	..	..	..	..	..	..	..
H3h	Total number of instances where unrecoverable debts were written off for year ending 30 June 2004 (number)	..	..	..	..	..	..	..	..	..
H3i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	..	..	..	..	..	..	..	..	..
Interest rate assistance: ongoing repayable										
H3a	Total number of new households assisted for year ending 30 June 2004 (number)	..	..	..	..	715	..	..	..	715
H3b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	..	..	..	n.a.	..	..	..	n.a.
H3c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	..	..	..	12,359	..	..	..	12,359

(continued)

Table 4.1 (continued): Home purchase assistance summary data 2003–04

Descriptors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)
Interest rate assistance: ongoing repayable (continued)									
H3d	Total number of all households assisted for year ending 30 June 2004 (number)								
	..	..	..	..	3,070	..	..	..	3,070
H3e	Total number of all Indigenous households assisted for year ending 30 June 2004 (number)								
	..	..	..	..	n.a.	..	..	..	n.a.
H3f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)								
	..	..	..	..	2,355	..	..	..	2,355
H3g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)								
	..	..	..	..	35,614	..	..	..	35,614
H3h	Total number of unrecoverable debts written off for year ending 30 June 2004 (number)								
	..	..	..	..	8	..	..	..	8
H3i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)								
	..	..	..	..	17	..	..	..	17
Interest rate assistance: ongoing non-repayable									
H3a	Total number of new households assisted for year ending 30 June 2004 (number)								
	..	..	32	84	..	..	..	102	218
H3b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)								
	..	..	0	..	..	..	..	6	6
H3c	Total value of assistance provided for year ending 30 June 2004 (\$'000)								
	..	..	n.a.	78	..	..	..	467	545
H3d	Total number of all households assisted for year ending 30 June 2004 (number)								
	..	..	160	..	..	..	..	505	665
H3e	Total number of all Indigenous households assisted for year ending 30 June 2004 (number)								
	..	..	2	..	..	..	..	35	37
Mortgage relief: one-off repayable									
H4a	Total number of new households assisted for year ending 30 June 2004 (number)								
	9	..	4	..	..	0	..	..	13
H4b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)								
	n.a.	..	0	..	..	0	..	..	n.a.

(continued)

Table 4.1 (continued): Home purchase assistance summary data 2003–04

Descriptors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)	
Mortgage relief: one-off repayable (continued)										
H4c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	30	..	17	..	..	0	..	..	47
H4f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)	589	..	101	..	..	13	..	..	703
H4g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)	2,804	..	180	..	..	44	..	..	3,028
H4h	Total number of unrecoverable debts written off for year ending 30 June 2004 (number)	5	..	2	..	..	3	..	..	10
H4i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	12	..	12	..	..	4	..	..	28
Mortgage relief: ongoing repayable										
H4a	Total number of new households assisted for year ending 30 June 2004 (number)	121	6	..	..	..	..	9	..	136
H4b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	n.a.	n.a.	..	..	..	..	n.a.	..	n.a.
H4c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	673	26	..	..	..	..	136	..	835
H4d	Total number of all households assisted for year ending 30 June 2004 (number)	163	6	..	..	..	..	61	..	230
H4e	Total number of all Indigenous households assisted for year ending 30 June 2004 (number)	n.a.	n.a.	..	..	..	..	..	..	n.a.
H4f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)	0	66	..	..	..	..	70	..	136
H4g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)	0	248	..	..	..	..	903	..	1,151
H4h	Total number of unrecoverable debts written off for year ending 30 June 2004 (number)	0	2	..	..	..	..	0	..	2

(continued)

Table 4.1 (continued): Home purchase assistance summary data 2003–04

Descriptors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)	
Mortgage relief: ongoing repayable (continued)										
H4i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	0	27	..	..	..	..	0	..	27
Home purchase advisory and counselling services: one-off repayable										
H5a	Total number of new households assisted for year ending 30 June 2004 (number)	..	..	..	4,346	..	0	..	..	4,346
H5b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	..	..	27	..	0	..	..	27
H5c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	..	..	130	..	0	..	..	130
H5f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year	..	..	..	..	..	819	..	..	819
H5g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year	..	..	..	..	..	6,674	..	..	6,674
H5h	Total number of instances where unrecoverable debts were written off for year ending 30 June 2004	..	..	..	..	..	0	..	..	0
H5i	Total value of unrecoverable debts written off for year ending 30 June 2004	..	..	..	..	..	0	..	..	0
Home purchase advisory and counselling services: one-off non-repayable										
H5a	Total number of new households assisted for year ending 30 June 2004 (number)	12,329	..	..	..	..	..	..	..	12,329
H5b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	n.a.	..	..	..	..	..	..	..	n.a.
H5c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	..	..	..	..	..	..	..	..

(continued)

Table 4.1 (continued): Home purchase assistance summary data 2003–04

Descriptors	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)
Other: one-off repayable									
H6a	Total number of new households assisted for year ending 30 June 2004 (number)	..	61	..	710	..	..	..	771
H6b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	n.a.	..	..	..	..	..	n.a.
H6c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	278	..	1,386	..	..	..	1,664
H6f	Total number of households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (number)	..	283	..	..	..	..	..	283
H6g	Total value of outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year (\$'000)	..	1,551	..	..	..	..	..	1,551
H6h	Total number of unrecoverable debts written off for year ending 30 June 2004 (number)	..	0	..	..	..	..	..	0
H6i	Total value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	..	0	..	..	..	..	..	0
Other: one-off non-repayable									
H6a	Total number of new households assisted for year ending 30 June 2004 (number)	..	..	5	32	..	..	n.a.	37
H6b	Total number of new Indigenous households assisted for year ending 30 June 2004 (number)	..	..	0	5	..	..	n.a.	5
H6c	Total value of assistance provided for year ending 30 June 2004 (\$'000)	..	..	45	169	..	..	n.a.	214

(a) May not represent national total due to data not being available from all jurisdictions.

Notes – Summary data

NSW Direct lending: one-off repayable

- H1f Includes HomeFund loans (1,249) and Home Purchase Assistance Account loans (189).
- H1g Includes HomeFund loans (\$74.1 million) and Home Purchase Assistance Account loans (\$3.6 million).
- H1h Includes HomeFund loans (2) and Home Purchase Assistance Account loans (0).

H1i Includes HomeFund loans (\$0.036 million) and Home Purchase Assistance Account loans (\$0).

Mortgage relief: One-off repayable

H4b The data captured by the Department of Housing on home purchase assistance clients does not allow identification of Indigenous households.

Mortgage relief: Ongoing repayable

H4b, H4e The data captured by the Department of Housing on home purchase assistance clients does not allow identification of Indigenous households.

H4c Includes \$589,000 for new households assisted and \$84,000 for households where assistance commenced in 2002–03 and continued into 2003–04.

H4d Includes 121 new households assisted and 42 households where assistance commenced in 2002–03 and continued into 2003–04.

H4f, H4g In view of difficulties in distinguishing between 'one-off' and 'ongoing' assistance for assistance provided in a previous financial year, the total assistance provided has been reported under 'one-off' assistance.

H4h, H4i In view of difficulties in distinguishing between unrecoverable debts written off for 'one-off' assistance and those for 'ongoing' assistance, the total unrecoverable debts written off have been reported under 'one-off' assistance.

Home purchase advisory and counselling services: One-off non-repayable

H5a Total number of calls to Home Purchase Advisory Service during 2003–04. Does not include calls from clients seeking general information about other forms of assistance provided by the Department of Housing.

H5b The data captured by the Department of Housing on home purchase assistance clients does not allow identification of Indigenous households.

Vic **Direct lending: Ongoing repayable**

H1d Figure includes 48 households that sought refinancing through the private sector during the year.

Other: One-off repayable

H6a Figures exclude four loans approved in June 2004 but advanced in July 2004.

Qld **Direct lending: One-off repayable**

H1a Direct Lending provided to new households during 2003–04 included:

- Queensland State Housing Loan (12 households)
- Queensland Housing Finance Loan (29 households)

H1c Direct lending provided to new households during 2003–04 included:

- Queensland State Housing Loan (\$1,169,221)
- Queensland Housing Finance Loan (\$2,075,784)

H1f, H1g Households with outstanding repayable monies at 30 June 2004 for assistance provided in a previous financial year included:

Direct lending

- Queensland State Housing Loan (current scheme)
- Queensland Housing Finance Loan (current scheme)
- Queensland Housing Loan (discontinued 2001)

- Rental Purchase Plan (shared equity scheme—discontinued 1996)
- H.O.M.E Loan (discontinued 1994)
- Interest Subsidy Loan (discontinued 1990)
- Other housing loans (discontinued 1990)

Deposit assistance

- Deposit Assistance Loan (in conjunction with the Queensland Housing Loan—discontinued 1996)

Deposit assistance: One-off repayable

H2f, H2g Number and value of outstanding and repayable Deposit Assistance Loans as at 30 June 2004. Provision of Deposit Assistance Loans was discontinued in 1996.

Deposit assistance: One-off non-repayable

H2a, H2c The Deposit Assistance Grant is a one-off non-repayable grant available to all public housing tenants and all eligible waiting list applicants wishing to purchase an available public housing rental property through the Queensland State Housing Loan scheme. Other applicants wishing to purchase an available public housing rental property are also eligible (means tested). The maximum grant available is equivalent to 50% of the required 5% deposit and is means tested. In addition, the Deposit Assistance Grant is also available to new borrowers of Aboriginal, Torres Strait Islander or Australian South Sea Islander descent—maximum grant available is \$5,000 to assist with fees or deposit.

Interest rate assistance: Ongoing non-repayable

H3a Interest rate assistance provided to new households for year ending 30 June 2004 includes:

- Queensland Housing Finance Loan (20 households)
- Queensland State Housing Loan (12 households)

Queensland Housing Finance Loan (only applies to Rental Purchase Plan conversions)—during the first 5 years of the loan the interest rate is capped at 1% below the Department of Housing's standard variable interest rate at the time the loan is approved and cannot rise above the capped rate. Should the department's standard variable interest rate fall below the capped rate during the first 5 years, the interest rate will be that lower rate.

Queensland State Housing Loan—employs a concessional interest rate (capped rate) of 1% below the Department of Housing's prevailing variable interest rate. If the department's prevailing interest rate drops below the capped rate, the capped rate will be reduced to the same level as the prevailing rate.

H3c Interest rate assistance is linked to direct lending as part of the product package. Therefore a specific value on the assistance provided is not available.

H3d, H3e Includes existing households at the commencement of the year plus new households assisted.

Other: One-off non-repayable

H6a Five households were assisted with a special assistance grant. The grants were provided to assist households with a disabled family member to either modify their home to increase safety or assist with deposit or fees. This grant is only available to new borrowers or existing borrowers under the Rental Purchase Plan scheme. Maximum grant available is \$10,000 to assist home modifications. If home modifications are not required, a maximum grant of \$5,000 is available to assist with deposit, loan application fees and/or other costs associated with the purchase of a home.

H6c The total value of home purchase assistance provided to households included Special Assistance Grant (\$45,386).

WA

Interest rate assistance: One-off repayable

H3a Includes new Indigenous households assisted.

Other: One-off repayable

H6a, H6c Cash assistance

Other: One-off non-repayable

H6a, H6b,
H6c Cash assistance

SA **Interest rate assistance: ongoing repayable**

H3h, H3i HomeStart's interest rate assistance mechanism is the Advantage loan. When a loan is written off the Advantage loan is rolled over to the customer's primary loan (standard HomeStart loan). Therefore the amounts written off have been calculated as follows:

- $(\text{Advantage loan funds} / \text{Write-off amount}) * \text{Total funds advanced}$

Mortgage relief: one-off repayable

H4a HomeStart's remaining mortgage relief loans were all written off in 2002–03, and this loan type no longer exists at HomeStart.

Tas **Deposit assistance: One-off non-repayable**

H2a Monies are repayable if the property is sold within the prescribed period.

ACT **Mortgage relief: Ongoing repayable**

H4a All ACT Government home buyer lending for public housing tenants ceased in 1996. New households assisted during the year refers to those households who had taken out a mortgage on their government home prior to that date in 1996 and who became eligible for deferred assistance in the 2003–04 financial year because their standard monthly loan instalment became greater than 27% of their household income.

5 Outcomes

5.1 Outcome 1: Targeting

Outcome 1 measures the targeting of assistance to those in need. This outcome was measured via a policy audit of the eligibility criteria for each sub-program under the home purchase assistance program.

5.1.1 Direct lending

Direct lending programs reported in the 2003–04 home purchase assistance data collection are outlined in Table 5.1.

New South Wales and the Australian Capital Territory do not appear in Table 5.1 as they did not provide direct lending to new clients as a form of home purchase assistance in 2003–04.

Table 5.1: Direct lending program by jurisdiction

Jurisdiction	Program Description
Victoria	<i>Group Self Build Bridging Loan</i> : short-term bridging finance is provided to individual participants to cover the purchase of land, conveyancing and establishment costs and the amount required to build the home for materials etc. When the house is completed, the bridging loan from the Director is re-financed with a long-term home loan from a private sector lender. There is still provision for further loans to be advanced to clients with Shared Home Ownership arrangements to purchase a further share in the property from the Director.
Queensland	<i>Queensland Housing Finance Loan</i> : a maximum of 3 times an applicants' gross annual income is provided in direct lending up to \$165,000. <i>Queensland State Housing Loan</i> : up to \$165,000 is provided in direct lending. A maximum Loan to Value Ratio (LVR) of 95% will be permissible at commencement of both loan schemes.
Western Australia	<i>Keystart Loan scheme</i> : offered to low income earners. <i>Access Home Loan Scheme</i> : only offered to households with a disability. <i>Goodstart Loan Scheme</i> : rental tenants and applicants for rental accommodation. <i>Aboriginal Home Ownership Scheme</i> : only offered to Indigenous applicants. <i>Realstart</i> : private sector borrowers in difficulty.
South Australia	<i>HomeStart Finance</i> offers a maximum loan amount of \$260,000, or 3.9 times the applicant's annual gross income. <i>HomeStart Advantage Loan</i> : a subsidised-rate loan that is available to increase the borrowing capacity for low income applicants. It is not available as a stand-alone product, and if repaid within 5 years of drawdown interest is waived.
Tasmania	Home Ownership Assistance Program offered to low income earners who are unable to obtain finance from traditional sources. Maximum loan of \$120,000.
Northern Territory	<i>HomeStart scheme</i> : up to \$115,000. <i>HomeShare scheme for public housing tenants</i> .

Eligibility criteria for direct lending assistance during 2003–04 are reported in Table 5.2. New South Wales and the Australian Capital Territory do not appear in Table 5.2 as they did not provide direct lending to new clients as a form of home purchase assistance in 2003–04.

Table 5.2: Direct lending eligibility criteria by jurisdiction

Eligibility criteria	Vic	Qld	WA	SA	Tas	NT
Gross weekly income limit ^(a)		\$1,058	\$600— \$1,634	No income limits except for Advantage loan for which income limit is \$650	\$825	HomeStart: \$800 HomeShare: \$1,100
Property value limit ^(b)		\$265,000	\$400,000	Minimum property value \$40,000	Minimum property value \$30,000	HomeStart: \$180,000 HomeShare: No limit
Minimum deposit ^(c)		5% of purchase price	\$1,000— \$2,000	\$1,000	Greater of \$3,000 or 5% of purchase price	5% of purchase price
Additional savings to cover fees, legals etc. ^(d)		\$1,500— \$3,500	\$2,500— \$3,000			
Demonstrated savings pattern		Minimum 3 months	Minimum 3 months	\$1,000 within 3 months, or a clear 12 months rental history under certain circumstances	Minimum \$1,000 deposit	HomeStart: Minimum \$2,000 deposit HomeShare: n.a.
Good credit history	✓	✓	✓	✓	✓	✓
No significant other debts/ other financial commitments cannot exceed ^(e)	✓	✓	8% of assessable income	✓	5% of assessable income	✓
Employment terms ^(f)		✓				✓
Citizen or permanent resident of Australia	✓	✓	✓	✓	✓	✓
Resident of the relevant state	✓	✓	✓		✓	
Cannot own or part own a home or land	✓	✓	✓	✓	✓	✓
Minimum age ^(g)	18 years	18 years	18 years	18 years	18 years	18 years
Loan must be used to purchase or build a home in relevant state, and client must live in this home	✓	✓	✓	✓	✓	✓

- ✓ Indicates that the requirement is part of the eligibility criteria for the jurisdiction. A blank space indicates that this requirement is not part of the eligibility criteria for the jurisdiction.
- (a) Victoria—minimum of \$700, an asset limit of \$15,000 applies; Western Australia—income limit is dependent on household composition and location within the jurisdiction; South Australia—additional \$96 for each dependant; Northern Territory—HomeShare scheme: \$1,100.
- (b) Northern Territory—HomeShare scheme: no limit. Queensland—property value limit effective from 1 October 2003.
- (c) Queensland—Queensland State Housing Loan and Queensland Housing Finance Loan: 5% of purchase price. Western Australia—Shared Equity Scheme \$1,000. Keystart—full ownership \$2,000.
- (d) Queensland—Queensland State Housing Loan: \$1,500–\$2,000, Queensland Housing Finance Loan \$2,000–\$3,500.
- (e) Queensland—all repayments for other debts are deducted from assessed gross monthly income—borrowing capacity is then based on reduced income figure; South Australia—maximum commitment to all debts, including HomeStart loan, must not exceed 35% of income, client must not be an undischarged bankrupt; Tasmania—client must not be an undischarged bankrupt; Northern Territory—all financial commitments must not exceed 40% of gross income including the mortgage repayments associated with the home loan. Bankruptcies must have been discharged for at least 2 years.
- (f) Queensland—if employed, must be employed for 12 months for permanent or part-time employee, 2 years for casual, 3 years for self-employed or those on commission; Tasmania—if employed, must be in current employment for a minimum of 6 months; Northern Territory—do not consider casual or contract employment.
- (g) Queensland—while there is no maximum age limit, age is relevant to an applicant's ability to sustain repayments for the full term.

5.1.2 Deposit assistance

Deposit assistance programs reported in the 2003–04 home purchase assistance data collection are reported in Table 5.3. New South Wales, Victoria, Western Australia, South Australia and the Australian Capital Territory do not appear in Table 5.3 as they did not provide deposit assistance to new clients as a form of home purchase assistance during 2003–04.

Table 5.3: Deposit assistance program by jurisdiction

Jurisdiction	Program description
Queensland	Deposit assistance is offered in conjunction with the Queensland State Housing Loan. Department of Housing tenants, rental waiting list applicants and those eligible to be on the rental waiting list receive a non-repayable deposit assistance grant of 50% of the minimum 5% deposit. All other applicants receive a portion of the grant (means tested).
Tasmania	Deposit assistance is provided under the Street's Ahead program. The incentive offers \$3,000–\$6,000, depending on income, to allow low income earners to purchase ex-departmental homes.
Northern Territory	Deposit assistance of between \$1,000 to \$3,000 is available depending on household size and gross family weekly income.

Eligibility criteria for deposit assistance during 2003–04 are reported in Table 5.4. New South Wales, Victoria, Western Australia, South Australia and the Australian Capital Territory do not appear in Table 5.4 as they did not provide deposit assistance to new clients as a form of home purchase assistance during 2003–04.

Table 5.4: Deposit assistance eligibility criteria by jurisdiction

Eligibility criteria	Qld ^(a)	Tas	NT
Gross weekly income limit		\$900	\$1,100
Property value limit		\$130,000	\$180,000
Not previously owned property in the relevant jurisdiction			✓
Existing housing tenant or eligible to be housing tenant		✓	

✓ indicates that the requirement is part of the eligibility criteria for the jurisdiction. A blank space indicates that this requirement is not part of the eligibility criteria for the jurisdiction.

(a) The Queensland eligibility criteria associated with the Deposit Assistance Grant is based on a sliding scale in relation to the applicants annual income.

5.1.3 Interest rate assistance

Interest rate assistance programs reported in the 2003–04 home purchase assistance data collection are reported in Table 5.5. New South Wales, Victoria, Tasmania and the Australian Capital Territory do not appear in Table 5.5 as they did not provide interest rate assistance to new clients as a form of home purchase assistance during 2003–04.

Table 5.5: Interest rate assistance program by jurisdiction

Jurisdiction	Program Description
Queensland	<i>Queensland State Housing Loan</i> : clients receive a 5-year capped interest rate 1% below the standard variable interest rate at time of approval and a maximum annual increase following the capped rate period of 0.5% per annum. <i>Rental Purchase Plan</i> : clients that re-finance through the Queensland Housing Finance Loan receive a 5-year capped interest rate 1% below the standard variable interest rate at time of approval.
Western Australia	Interest rate assistance is available to loan clients when there has been a reduction to their income. This assistance is available for up to 6 months.
South Australia	Interest rate assistance provided through the Advantage Loan. Interest is charged to the loan at a rate equivalent to CPI. If the Advantage Loan is repaid within 5 years interest is waived, otherwise it continues to accrue at a rate equivalent to CPI.
Northern Territory	A subsidy is paid directly to the lender each month to offset the costs of home mortgage repayments. The subsidy varies from \$20 to \$132 per month depending upon gross family weekly income and base loan amount. The subsidy is paid at the appropriate commencing level for 2 years and then reduces by one level each succeeding year. The subsidy can be paid for up to a maximum of 7 years.

Eligibility criteria for interest rate assistance during 2003–04 are reported in Table 5.6. New South Wales, Victoria, Tasmania and the Australian Capital Territory do not appear in Table 5.6 as they did not provide interest rate assistance as a form of home purchase assistance during 2003–04.

Table 5.6: Interest rate assistance eligibility criteria by jurisdiction

Eligibility criteria	Qld	WA	SA	NT
Gross weekly income limit ^(a)		\$600–\$1,634	\$650	\$700–\$1,000
Property value limit		\$150,000	Purchase price cannot exceed the SA median house price	\$180,000
Finance obtained from a private lender				✓
Not previously owned property in the relevant jurisdiction				✓

✓ Indicates that the requirement is part of the eligibility criteria for the jurisdiction; A blank space indicates that this requirement is not part of the eligibility criteria for the jurisdiction.

(a) Queensland—interest rate assistance is only provided to borrowers who meet the requirements of a Queensland Housing Finance Loan (only applies to Rental Purchase Plan conversions) and a Queensland State Housing Loan: South Australia—additional \$96 for each dependant; Northern Territory—CEO (Housing) has the discretion to approve applications below the minimum income limit if they have obtained approval for finance.

5.1.4 Home purchase advisory and counselling

New South Wales and Western Australia provided home purchase advisory and counselling services during 2003–04. Home purchase advisory and counselling is not subject to any eligibility criteria. Tasmania provides independent financial advice under its Streets Ahead Scheme. This assistance is provided to those clients whose income does not exceed \$900 per week and total assets below \$34,473.

5.1.5 Mortgage relief

Mortgage relief programs reported in the 2003–04 home purchase assistance data collection are reported in Table 5.7. Western Australia, South Australia, Tasmania and the Northern Territory do not appear in Table 5.7 as they did not provide mortgage relief to new clients as a form of home purchase assistance in 2003–04.

Table 5.7: Mortgage relief program by jurisdiction

Jurisdiction	Program Description
New South Wales	\$12,000 (assistance does not exceed one year).
Victoria	\$15,000 (\$3,000 for arrears and \$12,000 in assistance; assistance does not exceed two years).
Queensland	\$6,000.
Australian Capital Territory	All ACT government home buyer lending for public housing tenants ceased in 1996. Mortgage relief in the form of deferred assistance may be available to those who had a mortgage on their government home at the time this scheme ceased. If the standard monthly instalment is greater than 27% of a mortgagor's household income the mortgagor may be eligible for deferred assistance. Repayments are set at 27% of income until all deferred assistance is repaid.

Eligibility criteria for mortgage relief assistance during 2003–04 are reported in Table 5.8. Western Australia, South Australia, Tasmania and the Northern Territory do not appear in Table 5.8 as they did not provide mortgage relief to new clients as a form of home purchase assistance in 2003–04.

Table 5.8: Mortgage relief eligibility criteria by jurisdiction^(a)

Eligibility criteria	NSW	Vic	Qld	ACT
Gross weekly income limit	\$1,346			
Cannot own any other real estate	✓	✓	✓	
Available resources exhausted	✓	✓	✓	✓
Experienced unavoidable change in circumstances for which preparations couldn't be made	✓	✓	✓	✓
Financially distressed and in danger of losing home	✓		✓	✓
Other financial commitments must not impinge on ability to maintain required mortgage repayments ^(a)	✓	✓	✓	✓
Mortgage value limit	Max. \$270,000, and less than 90% property mortgaged	Max. original mortgage \$264,150		
Property value limit ^(b)	\$500,000		\$350,000	
Mortgage repayments must exceed percentage of income ^(c)	36% gross	27%	30% gross	
Commitment to mortgage repayments ^(d)	✓	✓	✓	
Property must be located in the relevant state	✓	✓	✓	Existing potential applicants all located in the ACT
Applicant must reside in the mortgaged property	✓	✓	✓	Subletting can occur under special circumstances
No previous default on repayment of mortgage assistance	✓	Not outstanding	✓	

(continued)

- ✓ Indicates that the requirement is part of the eligibility criteria for the jurisdiction. A blank space indicates that this requirement is not part of the eligibility criteria for the jurisdiction.
- (a) Queensland—other commitments secured by a registered mortgage considered in assessment.
- (b) Queensland—property value limit effective from 1 June 2004.
- (c) Western Australia—depending on scheme.
- (d) New South Wales—demonstrated by maintaining regular monthly repayments of at least 27% of gross household income over the preceding 6 months. Queensland—applicants must be maintaining repayments equivalent to 30% of reduced income.
Queensland—applicants must be maintaining repayments equivalent to 30% of reduced income.

5.1.6 Other forms of assistance

The following other forms of home purchase assistance were available in some jurisdictions during 2003–04.

Victoria: subsidised loans for elderly and disabled

Subsidised interest rate loans up to \$25,000 are provided to assist elderly and disabled homeowners with the cost of home renovations, modifications and maintenance, relating to health and safety issues.

Eligibility criteria:

- applicant must be elderly (60+), a disabled home owner, or a carer for a person with a disability;
- loans are advanced in relation to health and safety issues only;
- total monthly commitments including the proposed home renovation loan, credit cards and existing personal and home loans cannot exceed 25% of gross monthly income; and
- income and asset (\$30,000) limits apply.

In CSHA home purchase assistance data collections prior to 2002–03 this program was counted under the ‘direct lending’ program. In the 2003–04 data collection it has been included under the ‘other’ program due to a reclassification of this program by the jurisdiction. Caution, therefore, should be exercised when comparing the 2003–04 data with data from previous years.

Queensland: Deposit Assistance Grant—Queensland State Housing Loan

The maximum grant available is equivalent to 50% of the required 5% deposit. The grant is a one-off non-repayable grant provided to all public housing tenants and all eligible waiting list applicants wishing to purchase an available public housing Rental property. Other owner occupied purchasers wishing to purchase an available public housing rental property are also eligible (means tested).

Queensland: Special Assistance Grant

Applicants who apply for a housing loan may also be eligible for a special assistance grant. Two types of grants are available.

1. Modifications and assistance grant:
 - available to people with disabilities and families with a disabled family member to assist payment of modifications to the home to increase safety or to assist with deposit or fees; and
 - maximum grant is \$10,000.
2. Aboriginal, Torres Strait Islander and Australian South Sea Islanders Grant:
 - available to applicants of Aboriginal, Torres Strait Islander or Australian South Sea Islander descent; and
 - maximum grant of \$5,000 to assist with the costs of purchasing a home.

Western Australia: cash assist

Up to \$3,000 is provided to assist purchasers with the up-front fees associated with the purchase of a home. For subsidised schemes this assistance is in the form of a grant, whereas for non-subsidised schemes it is repayable.

South Australia: low deposit loans

The introduction of the Low Deposit Loan, Graduate Loan, and Nunga Loan has enabled borrowers who meet the criteria, to borrow up to 100% of the properties value.

5.2 Outcome 2: Affordability

Outcome 2 measures whether the assistance provided is affordable. This outcome was measured via a policy audit of the maximum percentage each household spends on home purchase assistance payments and the definition of assessable income.

5.2.1 Affordability of specific programs

Table 5.9 reports on the affordability of Home purchase assistance programs.

Table 5.9: Home purchase assistance affordability policy

Jurisdiction	Program type	Percentage of income on repayments for home purchase assistance
New South Wales	Direct lending	Minimum payment is 27% of gross income.
	Mortgage relief	<p>Client's income, assets and other credit liabilities are assessed and, where these do not exceed 36% of the client's gross income, the client is requested to commence repayments. The level of repayments is determined by the difference between the client's other credit commitments and 36% of their gross income.</p> <p>Where the client is unable to commence repayments, as their other credit commitments exceed 36% of their gross income, the client is granted a deferment of up to 18 months.</p> <p>Where the client has no prospect of repaying the debt, the debt may be classified as 'dormant' with recovery reliant on the caveat previously placed on the title to the mortgaged home. In certain circumstances, the loan may be converted to a grant.</p>
Victoria	Direct lending	Commencing minimum payment is either 25% or 27% of income depending on loan origination or instalments escalated by CPI or fixed per cent depending on loan type.
	Mortgage relief	Repayments can be made by the way of lump sum or at the rate of \$100 per month. An applicant can request up to a 2-year deferral on repayments after assistance has ceased.
	Other assistance	Home Renovation Scheme Loans: repayments cannot exceed 30% of gross weekly income, less \$30.
Queensland	Direct lending	For Queensland Housing Finance Loan, monthly repayments commence at the lesser of: <ul style="list-style-type: none"> • 27% of agreed continued income; • disposable income; or • the minimum repayment required to repay the loan within the loan term.
		For Queensland State Housing Loan, monthly repayments commence at the lesser of: <ul style="list-style-type: none"> • 25% of the agreed continued income; • disposable income; or • the minimum repayment required to repay the loan within the loan term.
	Mortgage relief	Repayments are not required for the first 12 months, and then regular monthly repayments are required (repayable over a 6-year term)
	Other assistance	Non-repayable

(continued)

Table 5.9 (continued): Home purchase assistance affordability policy

Jurisdiction	Program type	Percentage of income on repayments for Home purchase assistance
Western Australia	Direct lending	Access Home Loan Scheme: repayments do not exceed 25% of monthly income (includes rates allowance). Aboriginal Home Ownership Scheme: repayments do not exceed 23% of monthly income. Keystart Loan Scheme: repayments do not exceed 31% of monthly income.
	Deposit assistance	Non-repayable
	Interest rate assistance	Non-repayable
	Mortgage relief	Non-repayable
South Australia	Direct lending	Repayments on a standard HomeStart Loan are calculated as 28% of assessable income for applicants who take out maximum loan and 15–28% for applicants who take out less than maximum loan. The maximum commitment to all debts is 35% of income, including the HomeStart loan.
	Interest rate assistance	Advantage loan: no scheduled repayments although any voluntary payments greater than \$20 must be directed to the Advantage loan before the primary HomeStart loan
Tasmania	Direct lending	Repayments are initially set at 25% of gross income and are increased annually in line with inflation.
	Deposit assistance	Repayable only if the property is sold within 3 years.
Australian Capital Territory	Mortgage relief	All ACT government home buyer lending for public housing tenants ceased in 1996. Mortgage relief in the form of deferred assistance may be available to those who had a mortgage on their government home at the time this scheme ceased. If the standard monthly instalment is greater than 27% of a mortgagor's household income the mortgagor may be eligible for deferred assistance. Repayments are set at 27% of income until all deferred assistance is repaid.
Northern Territory	Direct lending	Repayments between 25–30% of gross income.
	Deposit assistance	Non-repayable
	Other assistance	Non-repayable

5.2.2 Definition of assessable income

Table 5.10 reports the income which jurisdictions consider when they determine assessable income for the purpose of home purchase assistance programs.

Table 5.10: Jurisdiction’s definition of assessable income

Income Source	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Centrelink payments ^(a)	✓	✓	✓	✓	✓	✓	✓	✓
Gross wages ^(b)	✓	✓	✓	✓	✓	✓	✓	✓
Veterans Affairs Pensions	✓		✓	✓			✓	✓
Net profits for self-employed	✓	✓	✓	✓	✓	✓	✓	✓
Workcover and other compensation payments	✓	✓	✓	✓	✓	✓	✓	
Child maintenance payments	✓	✓	✓	✓	✓	✓	✓	
Housing allowance ^(c)	✓							✓
Rent ^(d)	✓							✓

- ✓ Indicates that the income source is included in the definition of assessable income for the jurisdiction. A blank space indicates that this requirement is not part of the eligibility criteria for the jurisdiction.
- (a) Inclusion of payment types vary between jurisdictions. New South Wales—all except the Family Tax Payment (assessed as Part A 75% and Part B 45%); Queensland—all non-specific purpose payments and part-payments of pensions and benefits may be included in the agreed continued income. A pension or benefit provided for medical treatment, medication or basic family payment would not be included; Australian Capital Territory—includes Centrelink payments, including Family Tax Benefit Part A and Part B, parenting payments and child maintenance payment, but excludes pension basic supplement, pharmaceutical allowance and carer’s allowance; Northern Territory—includes Age Pension, 25% of gross Base Rate of Family Tax Benefit Part A and Parenting Payment, Carer Payment, Disability Pension, District Allowance, Newstart Allowance (as a supplement to other income).
- (b) Including over-time, shift allowances and bonuses; before tax instalments, superannuation and union fees are deducted; Queensland—penalty rates, overtime, part-time work, second jobs and casual work must be identified as being sustainable over a 2-year period; Tasmania—overtime only included if it has been regular for the past 6 months, only 50% of overtime and penalties are included; Northern Territory—also includes Defence Forces Income and First Aid Allowance.
- (c) Northern Territory—also includes Police Housing Allowance.
- (d) Northern Territory—60% of gross income from rent is assessable.

5.3 Outcome 3: Efficient use of assets

5.3.1 Measure 1: Number and value of arrears

This indicator measures efficient account management by allocation groups.

1a =
$$\frac{\text{the percentage of the value of arrears greater than 60 but less than 90 days to loan portfolio balance and is calculated as (HAR1x100)}}{\text{HAR7}}$$

1b =
$$\frac{\text{the percentage of the number of arrears greater than 60 but less than 90 days to loan outstanding and is calculated as (HAR2x100)}}{\text{HAR8}}$$

1c =
$$\frac{\text{the percentage of the value of arrears greater or equal to 90 days to loan portfolio balance and is calculated as (HAR3x100)}}{\text{HAR7}}$$

1d =
$$\frac{\text{the percentage of the number of arrears greater or equal to 90 days to loan outstanding and is calculated as (HAR4x100)}}{\text{HAR8}}$$

1e =
$$\frac{\text{the percentage of the value of all arrears to loan portfolio balance and is calculated as (HAR5x100)}}{\text{HAR7}}$$

1f =
$$\frac{\text{the percentage of the number of all arrears to loan outstanding and is calculated as (HAR6x100)}}{\text{HAR8}}$$

Table 5.11: Home purchase assistance Efficient use of assets: Measure 1: Number and value of arrears 2003–04

Efficient use of assets		NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Measure 1: Number and value of arrears										
HAR1	Value of loan portfolio balance in arrears greater than 60 days and less than 90 days at 30 June 2004 (\$'000)	3,491	1,554	387	6,093	4,345	253	12	221	16,356
HAR2	Number of all arrears greater than 60 days and less than 90 days at 30 June 2004	48	44	25	65	68	6	20	4	280
HAR3	Value of loan portfolio balance in arrears greater than or equal to 90 days at 30 June 2004 (\$'000)	3,761	4,941	322	8,029	5,873	1,033	218	1,010	25,187
HAR4	Number of all arrears greater than or equal to 90 days at 30 June 2004	50	138	93	96	102	91	71	37	678
HAR5	Value of loan portfolio balance in arrears greater than 60 days at 30 June 2004 (\$'000)	7,252	6,495	710	14,122	10,218	1,286	230	1,231	41,544
HAR6	Number of all arrears greater than 60 days at 30 June 2004	98	182	118	161	170	97	91	41	958
HAR7	Total loan portfolio balance at 30 June 2004 (\$'000)	74,100	154,684	90,185	1,490,136	788,078	40,075	27,157	155,022	2,819,437
HAR8	Total number of loans outstanding at 30 June 2004	1,249	6,022	4,123	19,375	13,465	1,739	693	2,137	48,803
Measure 1: Number and value of arrears										
At 30 June current financial year										
1a	The percentage of the value of arrears greater than 60 days and less than 90 days to loan portfolio balance (%)	4.7	1.0	0.4	0.4	0.6	0.6	0.0	0.1	0.6
1b	The percentage of the number of arrears greater than 60 but less than 90 days to loans outstanding (%)	3.8	0.7	0.6	0.3	0.5	0.3	2.9	0.2	0.6
1c	The percentage of the value of arrears greater or equal to 90 days to loan portfolio balance (%)	5.1	3.2	0.4	0.5	0.7	2.6	0.8	0.7	0.9
1d	The percentage of the number of arrears greater or equal to 90 days to loans outstanding (%)	4.0	2.3	2.3	0.5	0.8	5.2	10.2	1.7	1.4
1e	The percentage of the value of all arrears to loan portfolio balance (%)	9.8	4.2	0.8	0.9	1.3	3.2	0.8	0.8	1.5
1f	The percentage of the number of all arrears to loans outstanding (%)	7.8	3.0	2.9	0.8	1.3	5.6	13.1	1.9	2.0

(continued)

Notes

NSW	HAR1– HAR8	Home Fund loans only. (Arrears data in the required format is not available for Home Purchase Assistance Account and Mortgage Assistance Scheme loans.)
VIC	HAR7	<p>Figure excludes the general and specific provisions for doubtful debts, allowance for return on equity (ROE) and allowance for deferred loan balance subsidy.</p> <p>Unique to Home Finance, the allowance for ROE provides for the potential outlay arising from the payment made to eligible clients for their initial equity return upon sale of their property from sale proceeds thereby potentially exposing the Department of Housing to a shortfall. For information purposes there was nil ROE write-off for the year ending 30 June 2004 and an allowance for ROE of \$6,553 was created for the 2003–04 financial year.</p> <p>In addition, an allowance for deferred loan balance subsidy of \$850,000 was set up in October 2003 as a one-off provision for future subsidies granted to eligible borrowers to reduce their initial loan amounts upon the discharge of their loans. The balance of this allowance as at 30 June 2004 was \$678,587.</p>
Qld	HAR1	<p>The value of the loan portfolio in arrears greater than 60 days and less than 90 days as at 30 June 2004 includes:</p> <ul style="list-style-type: none">• housing loans \$376,231• mortgage relief: \$10,898
	HAR2	<p>The number of all arrears greater than 60 days and less than 90 days as at 30 June 2004 includes:</p> <ul style="list-style-type: none">• housing loans: 17• mortgage relief: 8
	HAR3	<p>Value of loan portfolio balance in arrears greater than or equal to 90 days at 30 June 2004 includes:</p> <ul style="list-style-type: none">• housing loans: \$185,863• mortgage relief: \$136,581
	HAR4	<p>Number of all arrears greater than all equal to 90 days as at 30 June 2004 includes:</p> <ul style="list-style-type: none">• housing loans: 25• mortgage relief: 68
SA	HAR1	Arrears calculations are based on the number of monthly instalments missed, rather than time periods. Therefore an account with arrears code 2 represents 2 missed monthly instalments. Consequently the implication is that this customer is over 60 days in arrears. Arrears figures are based on HomeStart's portfolio (see HAR7).
	HAR7	<p>The HomeStart portfolio includes the following products:</p> <ul style="list-style-type: none">• Construction• Split Variable• Established• Refinance• Rosewood• Seniors• Fixed Rate• Low Deposit

- Carers Home Maintenance
- Investor
- Graduate
- Investor Select
- Land Construction
- Nunga
- Seniors Extension

The following are excluded as not being part of the standard HomeStart program:

- Aged Care
- P&I Community Loan
- Staff PC Loans
- Rental Purchase and Mortgage Relief
- Home Ownership Made Easy (HOME) Loans
- SACHA (Fixed Rate) Loan

ACT HAR7 Includes all current and non-current loans receivable.

5.3.2 Measure 2: Number and value of bad debts and other losses written off

Table 5.12: Home purchase assistance efficient use of assets: Measure 2: Number and value of bad debts and other losses written off 2003-04

Efficient use of assets		NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Measure 2: Number of bad debts and write-offs for year ending 30 June 2004										
HDW(n)	Number of unrecoverable debts written off for year ending 30 June 2004 (number)	7	7	3	67	31	3	0	0	118
HDW(v)	Value of unrecoverable debts written off for year ending 30 June 2004 (\$'000)	48	29	12	1,600	346	4	0	0	2,039

Notes

- NSW HDW(n) Mortgage portfolio: 2; Mortgage Assistance Scheme: 5
 HDW(v) Mortgage portfolio: \$0.036 million; Mortgage Assistance Scheme: \$0.012 million
- Qld HDW(n) The number of bad debts and write-offs for the year ending 30 June 2004 includes:
- housing loans: 1
 - mortgage relief: 2
- HDW(v) The value of bad debts and write-offs for the year ending 30 June 2004 includes:
- housing loans: \$583
 - mortgage relief: \$11,590

5.3.3 Measure 3: Level of provision for doubtful debts

This indicator measures adequate provisions for high risk and non-performing loans;

$$3a = \frac{\text{general provision for doubtful debts as a percentage of portfolio value and is calculated as (HD1} \times 100)}{\text{HD3}}$$

$$3b = \frac{\text{specific provision for doubtful debts as a percentage of portfolio value and is calculated as (HD2} \times 100)}{\text{HD3}}$$

Table 5.13: Home purchase assistance program Measure 3: Level of provision for doubtful debts 2003–04

Efficient use of assets		NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total ^(a)
Measure 3: Level of provision for doubtful debts										
HD1	General provision for doubtful debts for year ending 30 June 2004 (\$'000)	2,451	1,265	1,119	6,257	15,751	207	12,500	609	40,159
HD2	Specific provision for doubtful debts for year ending 30 June 2004 (\$'000)	432	455	196	6,915	661	0	0	0	8,659
HD3	Total loan portfolio value at 30 June 2004 (\$'000)	80,504	154,684	90,185	1,490,136	788,078	40,075	27,157	155,022	2,825,841
3a	General provision for doubtful debts as a percentage of portfolio value (%)	3.0	0.8	1.2	0.4	2.0	0.5	46.0	0.4	1.4
3b	Specific provision for doubtful debts as a percentage of portfolio value (%)	0.5	0.3	0.2	0.5	0.1	0.0	0.0	0.0	0.3

(a) May not represent national total due to data not being available from all jurisdictions.

Notes

NSW	HD1	Mortgage Portfolio: \$2.210 million; Mortgage Assistance Scheme: \$0.241 million.
	HD2	Mortgage Portfolio: \$0.510 million; Mortgage Assistance Scheme: \$0.049 million
	HD3	HomeFund loans: \$74.1 million; Home Purchase Assistance Account loans: \$3.6 million; Mortgage Assistance Scheme loans: \$2.804 million.

Vic	HD2	Figure includes the provision for nominal accounts. These accounts hold the excess of clients' loan balances over their current estimated property values. They are interest free but must eventually be repaid. For information purposes the provision for these accounts was \$84,559 for the 2003–04 financial year, representing 100% shortfall regardless whether or not any of these accounts were in arrears.
	HD3	Figure excludes the general and specific provisions for doubtful debts, allowance for return on equity (ROE) and allowance for deferred loan balance subsidy. Unique to Home Finance, the allowance for ROE provides for the potential outlay arising from the payment made to eligible clients for their initial equity return upon sale of their property from sale proceeds thereby potentially exposing DOH to a shortfall. For information purposes there was nil ROE write-off for the year ending 30 June 2004 and an allowance for ROE of \$6,553 was created for the 2003–04 financial year. In addition, an allowance for deferred loan balance subsidy of \$850,000 was set up in October 2003 as a one-off provision for future subsidies granted to eligible borrowers to reduce their initial loan amounts upon the discharge of their loans. The balance of this allowance as at 30 June 2004 was \$678,587.
Qld	HD1, HD2	Includes provisions for housing loans and mortgage relief loans.