



Australian Government



National Housing Finance
and Investment Corporation

National Housing Finance and Investment Corporation

Corporate Plan 2020–21





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Message from the Chair

As Chair of the National Housing Finance and Investment Corporation (NHFIC), and on behalf of the Board as the accountable authority, I am pleased to present our *Corporate Plan 2020–21*.

The plan covers the four-year period from 2020–21 to 2023–24, as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Brendan Crotty

Chair

National Housing Finance and Investment Corporation

About NHFIC



NHFIC is a corporate Commonwealth entity with an independent Board.

NHFIC commenced operations on 30 June 2018. It administers the Affordable Housing Bond Aggregator (AHBA), National Housing Infrastructure Facility (NHIF) and First Home Loan Deposit Scheme (FHLDS), and conducts research into housing demand, supply and affordability.

NHFIC provides long-term and low-cost finance and capacity building assistance to registered community housing providers (CHPs) to support the provision of more social and affordable housing. We make loans, investments and grants to help finance the critical infrastructure needed to unlock and accelerate new housing supply.

With the expansion of NHFIC's functions during 2019–20, we now also provide guarantees to improve access to home ownership by first home buyers and undertake independent housing-related research to help inform public policy discussions.

NHFIC is a corporate Commonwealth entity with an independent Board responsible for determining strategy, defining risk appetite, making financing decisions and monitoring performance.

NHFIC is part of the Treasury portfolio of agencies. Our responsible Minister is the Minister for Housing and Assistant Treasurer, the Hon. Michael Sukkar MP.

The Minister appoints the Board and may provide directions about the performance of NHFIC's functions through an Investment Mandate. At the date of publishing this plan, the National Housing Finance and Investment Corporation Investment Mandate Direction 2018 is the operative direction.

Our purpose

NHFIC's purpose is to improve housing outcomes for Australians.

We aim to achieve our purpose by:

- strengthening efforts to increase the supply of housing
- encouraging investment in housing, particularly in the social or affordable housing sector
- providing finance, grants or investments that complement, leverage or support Commonwealth, state or territory activities relating to housing
- contributing to the development of the scale, efficiency and effectiveness of the community housing sector in Australia
- assisting earlier access to the housing market by first home buyers.

We do this by:

Providing loans to registered CHPs to support the provision of more social and affordable housing.

NHFIC provides low-cost and longer-term loans to registered CHPs through the AHBA which can be used to:

- acquire or construct new housing stock
- maintain existing housing stock
- assist with working capital requirements and/or general corporate requirements
- refinance existing debts.

NHFIC funds AHBA loans by issuing its own bonds into the wholesale capital market. The Australian Government has also provided a \$1 billion line of credit facility through which we may advance initial loans to CHPs prior to issuing bonds.

The AHBA uses a pass-through model to provide greater funding certainty and lower finance costs to CHPs to assist them to expand their operations and the supply of affordable and social housing.

Providing finance for eligible infrastructure projects to unlock and accelerate new housing supply.

NHFIC administers the \$1 billion NHIF which offers concessional loans, grants and equity funding to help support critical housing-enabling infrastructure.

The NHIF can be used for:

- new or upgraded infrastructure for services such as power, water and transport
- site remediation works including the removal of hazardous waste or contamination
- onsite and linking infrastructure.

The terms of NHIF financing are flexible with a range of concessions available to suit project circumstances. These may include, for example, concessional interest rates and/or longer loan tenure or extended period of capitalised interest.

Providing grants for capacity building services to assist CHPs in applying for NHFIC finance.

Through our \$1.5 million Capacity Building Program, registered CHPs can access grants for tailored assistance to help with the upfront finance and business planning work required to support a NHFIC loan application.



NHFIC administers the First Home Loan Deposit Scheme to support first home buyers.

Administering the FHLDS to support first home buyers purchase their first home sooner.

Under the FHLDS, eligible first home buyers can purchase a modest home with a deposit of as little as 5 per cent without needing to pay for lenders mortgage insurance. This is because NHFIC provides a guarantee to participating lenders of up to 15 per cent of the assessed value of the eligible property that is financed by an eligible first home buyer's home loan. Up to 10,000 guarantees are available each financial year.

NHFIC has appointed 27 residential mortgage lenders across Australia to the panel of participating lenders able to offer guaranteed loans under the Scheme.

Conducting research to support the monitoring of housing supply, demand and affordability.

NHFIC undertakes independent research into housing demand, supply and affordability in Australia, including looking at current and potential gaps between supply and demand across housing sub-markets. We complement existing research, reflecting on the adequacy of construction rates and land supply to meet future housing needs.

We work with Federal, state and territory government agencies, state and territory bodies, research institutions, market participants and the housing sector to develop and conduct our research and help inform public policy debate.

Our values

We are guided by our core values which underpin our organisation’s culture, the way we go about our work, how we interact with our stakeholders and how we deliver on our purpose.



Our strategic objectives

Our strategy aims to ensure we deliver on our purpose of improving housing outcomes by remaining responsive and adaptable as NHFIC's operations grow in complexity and size.

Our first two years of operation focused on building the business to effectively and efficiently deliver on our purpose. This plan reflects that NHFIC is maturing and progressing from a build

phase to an innovation and growth phase. We are well positioned for continued success as the business adapts to the needs of our clients and the changing operating environment.

2020–21 strategic objectives



Facilitate the sustainable growth of the community housing sector across Australia.



Strengthen stakeholder relationships that support better housing outcomes.



Facilitate investment to increase the supply of housing, in particular affordable housing.



Deliver high-performance organisation practices and outcomes.



Facilitate access into the housing market.



Embed a best-practice governance regime.

1. Facilitate the sustainable growth of the community housing sector across Australia

The AHBA will continue to offer low-cost and longer-term loans to CHPs to expand the supply of affordable housing and support services to Australians most in need. We will increase the value of total AHBA loans, expand our construction loan portfolio, and increase our geographic coverage across Australia.

NHFIC will directly support the development of new dwellings by using the line of credit borrowing capacity to provide construction funding. The flexibility of the line of credit will enable CHPs to make progressive drawdowns through the construction phase of a project prior to take-out finance at completion and financing of the loan through a bond issuance.

NHFIC finance has been strongly sought by CHPs and we envisage becoming a preferred lender to the sector. We will also continue to explore innovative opportunities to work with financial institutions to support the sector.

In 2020–21, NHFIC will continue to provide grants to CHPs under the Capacity Building Program to assist with NHFIC loan applications. This will support the development and growth of expertise in the sector and broaden the range of CHPs successfully accessing NHFIC finance.

2. Facilitate investment to increase the supply of housing, in particular affordable housing

Through our ability to access a line of credit from the Commonwealth, as well as the capacity to issue AAA-rated bonds guaranteed by the Australian Government, NHFIC is able to offer competitive financial products to CHPs through cheaper finance with longer tenors.

Since our inaugural \$315 million bond issuance in March 2019, NHFIC has issued nearly \$1.2 billion of social bonds, making it the largest issuer of social bonds in Australia. These issuances are helping to develop a new asset class in Australia through leveraging private capital investment (including from superannuation funds) into the affordable housing sector. NHFIC will build on the exceptional level of investor demand for its debt with further bond issuances expected in 2020–21 and beyond.

NHFIC will develop new innovative product offerings and structures in response to market and sector demand, and facilitate opportunities for partnerships with CHPs, superannuation funds and other sources of private capital to increase the supply of affordable housing.

We use the NHIF to alleviate infrastructure constraints that are hampering the supply of affordable housing. We will fund infrastructure projects that support new housing developments, including through partnerships with state and territory governments.

3. Facilitate access into the housing market

NHFIC will grow its new research capability through the release of relevant and insightful research reports and by providing insights and trends on first home buyers.

Throughout 2020–21 we will continue to deliver credible, value-adding housing research to help better inform the housing policy debate and decision making. This includes thought leadership papers on the first home buyer market based on data drawn from the first six months of the FHLDS, alternate funding models for affordable housing and CHPs, and the implications of COVID-19 on population growth and housing demand.

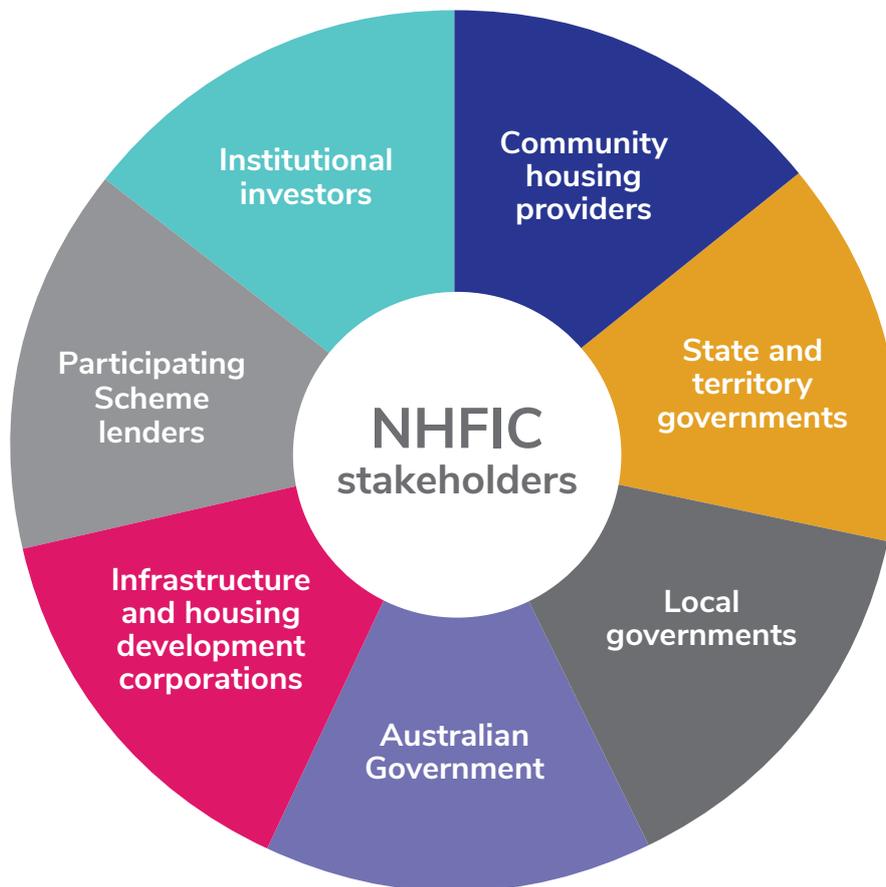
NHFIC is also seeking to grow the housing data eco-system through better search capabilities for researchers and policy makers.

NHFIC will release another 10,000 FHLDS places for the 2020–21 financial year from 1 July 2020 and work with participating lenders to enhance the operation and integrity of the Scheme and support eligible first home buyers.

4. Strengthen stakeholder relationships that support better housing outcomes

NHFIC operates in a dynamic and complex environment where gaining the cooperation and support of numerous stakeholders is essential for our success. In 2020–21, we will continue to strengthen and expand our partnerships and relationships to help broaden our reach, build on our existing capabilities and support improved housing outcomes.

We will continue to focus on understanding our stakeholders' challenges and work to deepen their understanding of the value NHFIC provides. We will enhance our reputation and increase awareness of NHFIC and its work across all stakeholder groups. We will grow the NHFIC brand by positioning ourselves as a key industry partner in accelerating increased investment in affordable housing. We will seek to further optimise our service, knowledge and responsiveness to the community housing sector, with an increased focus on engaging mid to lower-tier CHPs.



NHFIC will continue to engage and cooperate with governments at all levels across Australia to identify common interests and coordinate our activities to leverage greater outcomes from assistance to the community housing sector. We will continue to have regular dialogue with the Federal Government and Commonwealth departments and develop strong bilateral relationships with state and territory housing authorities. We will engage bilaterally with local governments and through other forums such as workshops and roundtables.

NHFIC will work collaboratively with the Federal Government and participating lenders to ensure the FHLDS operates in a manner consistent with our mandate and helps first home buyers access the housing market sooner.

We will actively contribute to industry discussion and debate on housing affordability, including through new independent housing research, and will seek to build strong relationships across the housing spectrum, including by identifying areas for better research collaboration.

5. Deliver high-performance organisation practices and outcomes

In 2020–21, we will continue to lend responsibly, applying commercial discipline to our financing decisions and managing risk through our best-practice Risk Management Framework.

We will continue to digitally transform our business and adopt new technologies to better support our clients. Our cloud-based infrastructure provides us with greater availability of key systems and data to more efficiently service and interact with our clients. We will continue to enhance our FHLDS portal with participating lenders and automate processes to reduce operational risk in the ongoing management of active guarantees. We will also utilise the best technologies available to our organisation to present housing data to help inform decision making.



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WE WILL CONTINUE TO DIGITALLY TRANSFORM OUR BUSINESS AND ADOPT NEW TECHNOLOGIES TO BETTER SUPPORT OUR CLIENTS

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We will grow our internal capabilities by recruiting highly committed, experienced people into our organisation and developing an organisational culture in which they can thrive. We will continue to leverage corporate expertise from Export Finance Australia where most appropriate.

We will ensure we remain agile in anticipating and responding to changes in government policy objectives and market conditions and meeting the needs of our clients.

NHFIC will ensure its financial sustainability by generating sufficient revenue to recover operating costs from 2021–22. This is well ahead of initial projections and will enable us to build a capital and reserves portfolio through retained surpluses much earlier than anticipated.

6. Embed a best-practice governance regime

We have established best-practice governance arrangements, with our policies and procedures guided by our legislation, Investment Mandate and corporate values.

In 2020–21, we will grow our governance function to ensure continued best-practice compliance, regulatory and governance practices. We will enhance elements as necessary, gaining guidance from external reviews and monitoring market messages on culture and governance.

Our operating environment



Housing is a complex sector, with many economic and social factors affecting demand and supply.

The COVID-19 pandemic has increased the complexity of the housing sector. The impact of the pandemic is discussed in the general context of our operating environment.

Five key factors influence NHFIC's operating environment and our ability to achieve our purpose:

1. performance of the community housing sector
2. housing market dynamics
3. ability to effectively raise and access finance
4. regulatory and prudential settings
5. multi-jurisdictional stakeholder relationships.

1. Performance of the community housing sector

One of NHFIC's key activities is the provision of low-cost, long-term finance to the community housing sector through the AHBA, allowing registered CHPs to deliver more housing and services to Australians in need.

More than 350 registered CHPs are located across Australia. They vary significantly in size and structure.

The community housing sector receives significant support from all levels of government, and changes in government policy have a significant impact on the sector.

The capability and vitality of the community housing sector will contribute to NHFIC's ability to improve housing outcomes. We are continuing to engage with the sector particularly through this COVID-19 period to understand their challenges and tailor our lending practices appropriately.

2. Housing market dynamics

Australia's housing market is diverse. Differences exist in market trends across states and territories, between urban and regional areas and between different housing types. These trends impact on the availability of social and affordable housing, both for rental and acquisition.

Market conditions over the next four years will affect the demand for NHFIC finance, including through the impact on revenues through market-based rents and the valuations of properties taken as security. Early monitoring of CHPs suggests their overall financial position remains resilient. In addition, potential government initiatives, such as those responding to the challenges posed by COVID-19, may support the sector at a time when there may be growing need for subsidised housing.

Similarly, demand for the FHLDS will depend on prevailing market sentiment and underlying economic conditions. Demand for Scheme guarantees softened during the acute phase of COVID-19 when restrictions were implemented (March to April 2020), but by the end of 2019–20 all guarantees under the Scheme had been reserved or used.

Looking forward, we expect continued demand for places given the Scheme is capped at 10,000 guarantees per financial year, which is around 10 per cent of the current number of first home buyers.

NHFIC will continue to monitor market trends over the period of this plan, identify opportunities and respond to challenges as appropriate.

3. Ability to effectively raise and access finance

Through the AHBA we make secured loans to registered CHPs sourced predominantly from funds raised in the financial market. Economic and market conditions have a significant impact on the terms of our finance, including its price. The pricing and tenor of our finance is critical given the relatively low but stable revenues generated by the community housing sector and the long-lived nature of its housing assets.

In addition, NHFIC's ability to effectively raise finance will be influenced by a number of factors as we attempt to build a new asset class for investment focused on supporting the community housing sector. In particular, general market conditions including investor sentiment will impact on the demand and pricing of NHFIC's bonds. So too will issues specific to our bonds including liquidity of trading and frequency of bond issuance and the social outcomes being supported for those focused on environmental, social and governance (ESG) aspects.

Like for other organisations, COVID-19 has made the operating environment for raising and accessing finance for NHFIC more challenging. However, our CHP transaction pipeline remains strong and we anticipate that the need for subsidised housing will continue to increase.

The demand for the FHLDS will also be influenced by general economic conditions and access to lender finance. However, given that the Scheme is capped at 10,000 places (or less than 10 per cent of the first home buyer pool), we anticipate that we will continue to see strong demand.



4. Regulatory and prudential settings

Australian financial service providers are affected by the prevailing regulatory and prudential environment in which they operate. This in turn could affect their ability to deliver finance to the housing sector.

For example, regulatory guidelines and changes made by key regulatory agencies such as the Australian Securities and Investment Commission and the Australian Prudential Regulatory Authority ultimately will have an impact on how many guarantees NHFIC provides under the FHLDS. Additionally, regulatory changes could impact on the risk appetite of lenders with flow-on effects for how they provide credit to first home buyers.

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**STATE AND
TERRITORY AND
LOCAL GOVERNMENTS
ARE RESPONSIBLE
FOR MANY OF THE
CRITICAL LEVERS
IMPACTING ON
HOUSING SUPPLY.**
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5. Multi-jurisdictional stakeholder relationships

The development of housing and related infrastructure engages a wide range of stakeholders, including governments at all levels.

The Australian Government is responsible for policy levers impacting on housing demand, such as migration, and provides funding support and assistance, including helping eligible households pay their rent and investing in states and territories to increase social housing and other forms of affordable housing supply.

State and territory and local governments are responsible for many of the critical levers impacting on housing supply. States and territories fund and provide community housing (either directly or indirectly through CHPs) and major infrastructure, oversee the release of land for new development, and set planning and zoning rules. Local governments determine zoning laws applicable to their area and provide local infrastructure.

The policies of state and territory governments may have a significant impact on the growth and viability of the community housing sector, including the amount of other funding available for social and affordable housing which impacts on the viability of projects and their ability to access NHFIC financing. In addition, tripartite agreements and security arrangements need to be developed and agreed which may be particularly complex for some transactions.

Our capability

We rely on our people and culture, supported by our systems and processes, to deliver on our purpose.

Our people and culture

NHFIC is committed to operating as a high-performance organisation that empowers and supports its people. We value diverse experience, expertise and backgrounds to foster a strong organisation, deepen our problem-solving ability, innovation and success.

Our people have skills drawn from finance, legal and public policy backgrounds and are highly motivated to deliver on our purpose. Drawing on their extensive experience in government and commercial sectors, NHFIC is well positioned to respond to the challenges of COVID-19 and support Australians most in need.



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**NHFIC IS WELL POSITIONED
TO RESPOND TO THE
CHALLENGES OF COVID-19
AND SUPPORT AUSTRALIANS
MOST IN NEED**
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We will expand our capabilities as we mature from a build to an innovation and growth phase of operations. We will do this by recruiting highly motivated and experienced talent with the technical skills required to meet the needs of our current and future transaction pipeline. We will also invest in developing the capability of our people through tailored training and coaching opportunities to support their growth and enable our business.

NHFIC is committed to building collaborative teams and creating solutions together to drive optimal results. Our values inform our recruitment and engagement processes and the development of our policies.

NHFIC will continue to access shared services from Export Finance Australia to support its operations and engage external expertise and specialist subject matter experts when required.

Our systems and processes

We will continue to embrace innovation in technology, systems and processes to help improve our service delivery to clients.

This includes continuing to invest in cloud-based technology and training, enhance the FHLDS portal and supporting processes, and innovate our systems, practices and tools to better support the needs of our clients.

NHFIC will continue to use Export Finance Australia corporate systems as necessary.

Key performance targets



Our 2020–21 Annual Performance Statement will report on our achievements against our purpose.

A key financial objective for this financial year is to become self-funding by generating sufficient revenue to recover operating costs from 2021–22. This Corporate Plan shows us achieving this objective well ahead of initial projections when NHFIC first commenced operations. This will enable NHFIC to build a capital and reserves portfolio to support the growth in our lending business.

On the organisational side, we will continue to mature and position ourselves for further success and grow our capability to meet current and future needs.



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**THIS CORPORATE PLAN
SHOWS NHFIC BECOMING
SELF-FUNDING WELL AHEAD
OF INITIAL PROJECTIONS.**
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Table 1 provides our best estimate on the expected level of quantitative business activity over the next four years. Table 2 reflects qualitative business metrics over the same period.

Activity in the later years of this plan may be expected to be constrained by the \$2 billion statutory cap on NHFIC's guaranteed liabilities

imposed by our Investment Mandate. On current forecasts, at the upper end of the range we anticipate reaching that cap during 2020–21. We are in discussions with the Federal Government on this issue.

The targets in later years are dependent on achieving planned outcomes in the previous years.

Table 1: Quantitative performance targets

Performance area	Performance objective	Target 2020–21	2021–22	2022–23	2023–24
Facilitate sustainable growth of the CHP sector	Total NHFIC loan portfolio valued at \$1.5b–\$2b by 2021–22	\$200m–\$450m	\$200m–\$400m*	\$200m–\$400m*	\$200m–\$400m*
	Total dollar value of issued bonds to be two-thirds of loan portfolio value	\$133m–\$300m	\$133m–\$267m*	\$133m–\$267m*	\$133m–\$267m*
Facilitate increase in housing supply	NHIF loan and grant facilities committed	\$100m–\$300m	\$100m–\$300m	\$100m–\$300m	\$100m–\$300m
Facilitate access into housing market	Number of guarantees provided to FHLDS panel lenders	10,000	10,000	10,000	10,000
Deliver high-performance organisation practices and outcomes	Financial sustainability	Ensure operating expenses per annum are within annual appropriation provided by government for 2020–21. Achieve benchmark return to cover operating costs from 2021–22 and build an adequate capital reserve in accordance with legislation Maintain the minimum target value of the permanent fund associated with the NHIF.			

* As outlined above, the targets set in the later years of this plan are dependent on discussions with the Federal Government on the size of the liability cap.

Table 2: Qualitative performance targets

Our functions	Performance targets
Provide loans to registered CHPs to support the provision of more social and affordable housing	<p>Expand offering under the AHBA loan facility in terms of dollar value, types of lending (for example, construction finance), range of CHPs and geographic coverage across Australia.</p> <p>Issue bonds to support the AHBA loan facility with a mix of tenors.</p> <p>Build partnerships with institutional investors and superannuation funds to attract additional capital into the community housing sector.</p> <p>Implement protocols with each registrar nationally.</p>
Provide finance for eligible infrastructure projects to unlock new and accelerate housing supply	Expand NHIF roll-out to finance infrastructure projects across Australia.
Provide grants for capacity building services to assist CHPs in applying for NHFIC finance	Issue grants for capacity building services through the Capacity Building Program, supporting more CHPs to access NHFIC finance.
Administer the FHLDS to support first home buyers purchase their first home sooner	Work collaboratively with participating lenders to enhance the operation and integrity of the Scheme and support first home buyers.
Conduct research to support the monitoring of housing supply, demand and affordability	Issue the State of the Nation's Housing report and targeted research papers to inform policy debate and decision making.

Risks to performance

We work in a dynamic operating environment. Our performance targets for 2020–21 will be influenced by:

- the health and vitality of the community housing sector
- trends in the Australian housing market
- the policies of other levels of government
- our ability to raise and access finance on capital markets
- our ability to cover operating costs through investment returns
- regulatory guidelines policies that have direct impact on banking practices.

Risk oversight and management

Risk management is a critical part of our business. We have developed a Risk Management Framework that defines our principles and the type of risks we face.

Oversight of risk management

Risk policies, risk tolerances and operational limits are set by our Board, the PGPA Act, the *National Housing Finance and Investment Corporation Act 2018* and our Investment Mandate. Our approach to risk management is based around assessing the level of, and appetite for, risk and ensuring that we build the level of capital appropriate for that risk profile.

We have developed a Risk Management Framework that defines our core principles and the types of risks we face. The Framework forms the basis of our Risk Appetite Statement and our Risk Control Matrix.

Our Board is responsible for managing NHFIC's affairs. This includes determining strategy, defining risk appetite, making financing decisions and monitoring performance. The Board has established an Audit and Risk Committee and a Bond Issuance Due Diligence and Management Committee to support our risk management processes and assist in risk oversight. An additional Credit Committee has been established that reports directly to the CEO.

Our risk culture and principles guide everyday behaviour in the organisation. We strive to:

- Maintain the highest professional and ethical standards.
- Align any staff incentives and rewards to encourage behaviour consistent with our risk appetite.
- Provide an environment where employees are empowered to the full extent of their abilities and that fosters innovation and learning within business practices.
- Monitor, stress test and re-evaluate risk ensuring management information systems and risk reporting accurately reflect the underlying risk.
- Only provide facilities and appoint lenders and issue guarantees under the FHLDS after carefully and appropriately considering the risk implications.
- Be intolerant of regulatory and compliance breaches.

Risk Appetite Statement

Our Risk Appetite Statement defines our risk tolerance and sets the boundaries for the risks we are willing to accept to achieve our objectives.

NHFIC's risk appetite is:



Dynamic

The Board reviews the Risk Appetite Statement on a regular basis in conjunction with the Corporate Plan and relevant government policy.



Defined

It requires us to operate within defined tolerances and governance procedures.



Encompassing

It provides a roadmap that guides our internal risk culture and sets boundaries defined by principles and metrics (both quantitative and qualitative) which are considered collectively.



Judgement based

It recognises that articulating risk appetite is a complex process balancing many different views, but ultimately is a question of judgement.

The Board relies on our Executive to manage the implementation and embedding of the risk appetite into NHFIC's activities. All staff play a role in identifying risk elements.

Risk Control Matrix

The Risk Control Matrix lists the risks that NHFIC is expected to face, outlines the controls or risk mitigation in place, assesses the likelihood and consequence of each risk before and after mitigation or controls are applied, and assists in identifying early warning signals.

By assigning responsibility to individuals as risk owners, the Risk Control Matrix is intended to engender a culture of risk awareness and accountability.

Risks are classified depending on their nature. Our key risks fall into the risk categories below:

Performance area	Performance objective
Reputation	Risks associated with negative public or political profile and funds usage.
Strategic	Risks related to meeting strategic objectives and expectations of key stakeholders, business strategy, resourcing and proper corporate structure.
Credit	Risk of default from a borrower failing to make their required payments under NHFIC's loan conditions. Risks of improper credit analysis and portfolio concentration.
Funding, liquidity and earnings	Risks related to our ability to raise and access finance from the capital market, and our ability to settle liabilities or obligations as they become due. Risks related to insufficient earnings to meet operational expenditure.
Operational	Risks related to cyber security, loss resulting from inadequate or failed internal processes, people and systems, or from external events.
Regulatory and compliance	Risks associated with breach of the Investment Mandate, NHFIC Act, PGPA Act and rules or other legislation or directions from the Minister relevant to NHFIC and changes in Federal Government policies.
Fraud and corruption	Risks associated with the failure to prevent and detect fraud.
Culture and people	Risk associated with the loss of corporate capacity, knowledge management and inappropriate corporate culture.

The Risk Control Matrix enables management to form a view of residual risks and communicate these to the Board and the Audit and Risk Committee. We regularly review the Risk Control Matrix to add new risks or identify changes to existing risks.

Glossary

Abbreviation or acronym	Description
AHBA	Affordable Housing Bond Aggregator
Board	Board of NHFIC
CEO	Chief Executive Officer of NHFIC
Chair	Chair of NHFIC
CHP	Community housing provider
Executive	Members of the executive leadership team of NHFIC
FHLDS	First Home Loan Deposit Scheme
Investment Mandate	National Housing Finance and Investment Corporation Investment Mandate Direction 2013
NHFIC	National Housing Finance and Investment Corporation
NHFIC Act	<i>National Housing Finance and Investment Corporation Act 2018</i>
NHIF	National Housing Infrastructure Facility Finance
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	<i>Public Governance, Performance and Accountability Rule 2014</i>
Responsible Minister	Minister for Housing and Assistant Treasurer

Requests for more information and enquiries should be addressed to:

National Housing Finance and Investment Corporation
Chief of Staff
Level 10 Export House
22 Pitt Street
Sydney NSW 2000
Telephone: 1800 549 767
Email: inquiries@nhfic.gov.au

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The corporate plan is a Commonwealth entity requirement under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The 2020–21 *Corporate Plan* is prepared in accordance with the PGPA Rule 2014 and will be acquitted in the annual performance statements published in the *National Housing Finance and Investment Corporation Annual Report 2020–21*.

The reporting periods covered by this corporate plan are 2020–21 to 2023–24.

An online version of this report is available on the NHFIC website:

nhfic.gov.au/our-organisation/reporting-and-disclosures/



