Impact Analysis Statement

Summary IAS

Details

Lead department	Department of Housing and Public Works
Name of the proposal	*Housing Regulation 2026*
Submission type (*Summary IAS / Consultation IAS / Decision IAS)*	Summary IAS
Title of related legislative or regulatory instrument	*Housing Act 2003*
Date of issue	August 2026

What is the nature, size and scope of the problem? What are the objectives of government action?

Nature, size and scope of the problem

Queensland is currently experiencing a housing crisis, characterised by a shortage of affordable and accessible housing driven by rising demand, limited supply, and escalating costs.

In May 2026, 19,623 Queenslanders engaged with a funded Specialist Homelessness Service, an agency receiving Queensland government funding to provide accommodation, accommodation related services and/or assistance and support services to people experiencing homelessness or at risk of homelessness.

As of 30 June 2026, there were 2,707 Queenslanders accommodated in short-term temporary accommodation and 24,866 active households (46,037 people) on the social housing register (households who have applied and are eligible for public and community housing).

Between 1 July 2025 and 30 June 2026, 182,997 people visited one of the 21 Housing Service Centres across Queensland seeking housing assistance.

These housing pressures highlight the importance of the Queensland housing system as a safety net for Queensland's most vulnerable community members, particularly through the provision of social housing.

The Queensland Government's 2026-27 Budget outlines that $5.725 billion will be invested over 4 years to help the delivery of 53,500 new social and community homes by 2044.

As of 30 June 2026, there are 78,602 social and community homes, inclusive of 18,334 homes managed by community housing providers and other not-for-profit entities (inclusive of Specialist Homelessness Service providers and crisis accommodation).

Between 1 July 2025 and 30 June 2026, 5,292 new households were assisted into social housing (inclusive of public and community housing) and 4,469 homes delivered towards the 53,500 social and community homes by 2044 target.

As of 30 June 2026, there were 55,998 households in public homes (owned and managed by Queensland government) with a vacancy rate of 0.60%.

As at 30 June 2026, there are 114 Registered Community Housing Providers (RCHPs) in Queensland.

As of 30 June 2026, there were 671 contracts on the department's contract register. These contracts relate to the sale of houses by the Chief Executive (CE) to eligible persons, another housing system support.

Housing activities undertaken by the State are underpinned by the *Housing Act 2003* (the Act), which has the main objectives of improving access of Queenslanders to safe, secure, appropriate and affordable housing; and helping build sustainable communities.

Under section 5 of the Act, these objects are to be achieved primarily by making provision about:

- housing-related activities carried on by the State, including providing public housing and other housing services; and developing, undertaking or supporting other housing programs and initiatives; and
- a system for supporting and regulating certain types of entities providing housing services. This includes registering entities; giving them financial assistance, making land available to them or giving them other types of assistance; and regulating how they provide housing services using the assistance.

The Act provides an accountable and transparent system for the delivery, funding and receipt of housing and housing related services. Key aspects of the Act include:

- creating powers for the use of funding from the Queensland Housing Fund including the chief executive's power to provide public housing, grants, loans, land or other assistance;
- applying the NRSCH to community housing providers that operate in Queensland; and
- setting out obligations for funded providers and for people that receive housing assistance.

The Act establishes different types of housing services:

- Social Housing Services, which include community housing (managed by registered community housing providers or local governments), and public housing (owned and managed by Queensland government).
- Ancillary Housing Services, which include crisis accommodation; tenant advocacy and advisory services; home maintenance and modification services; and giving financial or other assistance to enable an individual to buy or lease a residence.

Under the Act, the Chief Executive can only give funding to deliver a social housing service to a registered provider or an exempt provider as prescribed by the regulation.

The *Housing Regulation 2015* (the Regulation) supports the delivery of housing services and assistance under the Act. Additional supports include operational policies, funding agreements, grant programs, and other contractual arrangements.

The Regulation supports the primary methods of achievement of the Acts objectives in section 5 of the Act, including by:

- setting financial management, accountability, governance and service delivery requirements for all funded housing service providers
- enabling the funding of certain housing service providers including exempt providers of social housing (BTR providers and HIF providers) and certain ancillary housing services (housing-related education or employment services)
- prescribing housing service information that people receiving social housing must update the Chief Executive or a funded provider about, under section 18(1) of the Act
- outlining requirements supporting the department's delivery of home lending and home ownership products
- supporting the operation of Homes for Homes in Queensland by prescribing Homes for Homes Limited as a non-profit organisation under section 94I of the Act. This enables landowners and property developers

to voluntarily enter into a 'donation deed' to make a tax-deductible donation of 0.1 per cent of the sale price of their property at the time of sale. These contributions are pooled in each state or territory and granted to experienced housing providers to privately fund social and affordable housing projects.
- providing transitional provisions.

The Regulation creates a high-level transparency and accountability framework for the application of public funds. This works in conjunction with funding agreements and policies which set out in greater detail the activities that providers must undertake.

For example, for RCHPs, the Regulation works in conjunction with the new Social Housing Policy 2026, an overarching policy that defines the core requirements for community housing providers contracted to deliver social housing services in accordance with the Act. The Regulation requires funded community housing providers to implement the *Social Housing Allocations Policy* and *Social Housing Eligibility Criteria*. These policies are outlined under the overarching *Social Housing Policy*.

Sunset Review of the Housing Regulation 2015 (the Regulation)

Under the *Statutory Instruments Act 1992* (SI Act), a regulation automatically expires after 10 years, unless it has been exempted from expiry by a regulation made under the SI Act. The Regulation was exempted from expiry in 2025 under the basis that the *Housing Act 2003* was under review. The Regulation is set to expire on 31 August 2026.

The review of the *Housing Act 2003* found that the legislation is operating as intended and there are no significant legal legislative impediments to service delivery. This review also conducted an analysis of the Regulation and an issue with section 10 was identified.

Section 10 of the 2015 Regulation limits use of funded property as security for a loan to RCHPs that are registered companies under the *Corporations Act 2001* (Cth) that have the Chief Executive's written approval. This limits potential growth opportunities for a significant number of RCHPs operating under different entity types.

This sunset review commenced in December 2025 and examined the Regulation's continuing need, effectiveness and efficiency.

Objectives of Government Action

The objectives of Government Action are:
- Ensure the Act and its objectives are effectively supported by providing for housing-related activities carried on by the State and facilitating a system that supports and regulates certain types of entities providing housing services.
- Ensure the Queensland Government commitment regarding the delivery of 53,500 new social and community homes by 2044 is supported.
- Support the following Charter Letter objectives for the Minister for Housing and Public Works and the Minister for Youth concerning housing supply:
  - the core portfolio value of 'unlocking the Community Housing Sector across Queensland to harness the untapped potential these providers have in delivering more supply'
  - the key portfolio deliverable 'to explore opportunities to expand the asset base of Community Housing Providers to provide the platform for growth in this vital sector'
  - the key portfolio deliverable of 'lead engagement with the Community Housing Sector and deliver a Master Agreement for Community Housing Providers in Queensland to allow the sector to thrive in our state, as it has done in other Australian jurisdictions'
  - the key portfolio deliverable of 'contribute to delivering a legislative and regulatory environment built on stability and certainty which will deliver strong investor confidence in Queensland, therein driving up housing supply and maintaining housing affordability for homeowners and renters alike'.

What options were considered?

Option 1: Take no action and allow the Regulation to expire.

Option 2 (proposed): Remake the Regulation using the existing policy framework of the 2015 Regulation and address the modernising improvement issues identified by the sunset review.

What are the impacts?

This section explores the impacts of Option 1 and Option 2 (proposed).

It is noted that quantifying the impact of the Regulation, including in terms of direct cost and direct housing supply outcomes, is challenging due to market complexities and the Regulation being only one of a number of supports (including operational policies, funding agreements, other contracts, regulatory systems) in Queensland's housing system. This makes it difficult to directly correlate policy changes with quantitative outcomes. As a result, qualitative analysis has been prioritised to better capture the broader context and implications.

Option 1:

This option involves taking no action and allowing the Regulation to expire on 31 August 2026.

Non-legislative measures such as polices, funding agreements and other contracts would be relied on to support the Act.

While this may initially reduce legislative burden and compliance requirements for funded housing service providers (one component of the regulation), it is not recommended due to other significant costs and risks, including:

1. Costs and disruptions to housing service delivery as result of system change

The Regulation establishes a high-level framework for financial management, accountability, governance and service delivery requirements for all funded housing service providers and transparency requirements associated with delivery of home lending and homeownership products.

The framework is relied on to fund providers, such as RCHPs and ancillary housing service providers, as well as by many of the department's programs and initiatives. Its expiry could require extensive revisions to programs, initiatives and funding agreements potentially causing disruptions to programs and delaying new initiatives. This would create substantial administrative challenges for the department and funded housing service providers. It would also undermine the ability of the department and funded housing service providers to deliver housing services effectively and efficiently.

2. Inability to fund or operationalise certain housing programs and prescribe housing service information

Without the Regulation, the Housing Investment Fund (HIF) program, the Build to Rent (BTR) pilot project, and housing-related education and employment services ancillary housing services could not be delivered.

The Regulation prescribes HIF providers and BTR providers as exempt social housing providers, allowing them to receive funding in accordance with section 22 of the Act, which limits funding to registered or exempt providers. It also enables funding of housing-related education and employment services ancillary housing services, by prescribing these under section 8 of the Act.

The absence of the Regulation would impede the operation of Homes for Homes in Queensland (an independent, not-for-profit social enterprise that generates private sector revenue to invest in social and affordable housing projects), as it relies on the Regulation to be prescribed as a non-profit organisation under section 94I of the Act.

Additionally, the Regulation defines the 'housing service information' that social housing recipients must provide to the Chief Executive or a funded provider under section 18(1) of the Act, a penalty provision, preventing the operation of this section of the Act.

3. Less stability, certainty and enforceability for key transparency and accountability requirements

The Regulation sets financial management, accountability, governance and service delivery requirements that all funded housing service providers must comply with as part of receiving public funding. It also sets transparency requirements to support the delivery of home lending and homeownership products.

Allowing the Regulation to expire and transitioning to reliance on operational policies, funding agreements and other contracts alone for these key requirements, would result in a supporting framework for the Act that is more vulnerable to change. This would reduce certainty for funded providers and potentially undermine the consistent and equitable delivery of housing services. Public confidence could be compromised impacting the long-term sustainability of housing programs.

Option 2 (proposed):

Under this option, a new Regulation would be made.

The new Regulation would maintain the existing policy parameters of 2015 Regulation by continuing to:
- set financial management, accountability, governance and service delivery requirements for all funded housing service providers
- enable the funding of BTR providers and HIF providers as exempt providers of social housing and ancillary housing services that are housing-related education or employment services
- prescribe "housing service information" people receiving social housing must update the Chief Executive or a funded provider about for section 18(1) of the Act (which is a penalty provision)
- outline requirements associated with the delivery of home lending and home ownership products
- support the operation of Homes for Homes in Queensland by prescribing Homes for Homes Limited as a non-profit organisation under section 94I of the Act
- provide transitional provisions.

Several modernising improvements would also be made including:
- removing the requirement in section 10 that a Registered Community Housing Provider (RCHP) must be a company registered under the *Corporations Act 2001* (Cth) to use funded property as security for a loan. Instead, allowing all RCHPs, with the Chief Executive's written approval, to access this opportunity and support community housing growth
- amending section 14 to reference the new *Social Housing Allocations Policy* in place of the *Allocations Policy for Funded Social Housing Providers*, ensuring alignment with the new *Social Housing Policy* for Community Housing Providers
- updating the definitions of *Social Housing Allocations Policy* and *Social Housing Eligibility Criteria* to reflect that they form part of the new *Social Housing Policy* effective 14 September 2026
- removing reference to the National Rental Affordability Scheme as a prescribed ancillary housing service to reflect Queensland exit from the scheme on 30 June 2025
- removing reference to the Chief Executive power to waive or reduce fees in section 32 to reflect the standardisation of this power in section 30B of the *Statutory Instruments Act 1992*
- updating the transitional provisions
- enhancing the readability of the regulation.

Some additional queries have been raised by OBPR related to the standard interest rate policy and fees prescribed under the Regulation. There is very limited impact of these issues given the standard interest rate is not currently being relied upon and there is currently a very small portfolio of home lending and home ownership products that rely on the prescribed fees in the regulation, and there has been no significant concerns regarding the current fee arrangements identified during consultation. No additional stakeholder impacts for these issues are expected beyond those that already exist under the current regulatory framework.

The making of a 2026 regulation would have the following key impacts:

1. Continuing to legislatively set an accountability and transparency framework for all funded housing service providers

The Regulation would enable the continued setting of financial management, accountability, governance and service delivery requirements that all funded housing service providers must comply with as part of receiving public funding.

These establish a high-level framework of key requirements which would continue to support section 22 the Act, which states the Chief Executive can only provide funding to housing service providers on the condition that the funded provider is accountable to the Chief Executive for providing housing services.

The requirements would continue to focus on:

- effective use of funding, for example, by setting requirements about the use of funded receipts
- protection of assets and preservation of housing stock, for example, by requiring the use of asset management plans
- ensuring appropriate departmental oversight, for example, by requiring information about funded properties and funded housing services to be shared with the Chief Executive by funded providers
- supporting fair and equitable tenant access to housing and consistent decision making, for example, by setting requirements for the use of eligibility polices, allocation polices, rent policies and privacy requirements.

Using legislation to set these key requirements is necessary and appropriate given the significant use of public monies and the consequent need for heightened transparency, legal certainty and fair and consistent approaches regarding funded housing service delivery.

2. Ensuring no service delivery interruption, continued funding of certain housing programs and continued operationalisation of certain programs

The new Regulation would ensure the continued operation and uninterrupted delivery of the department's many funding streams, programs and initiatives that rely on the framework established by the regulation.

It would also ensure the funding of HIF and the BTR Pilot Project, as well as the continued operation of Homes for Homes in Queensland. This, in turn, would support the continued delivery of social housing in Queensland.

Additionally, the new Regulation would also ensure the continued ability to fund housing related education and employment ancillary housing services by continuing to prescribe them (as per section 8 of the Act).

3. Continuing prescription of housing service information

The Regulation would ensure the continued prescription of the "housing service information" that social housing recipients must provide to the Chief Executive or a funded provider. This ensures the operation of section 18(1) of the Act, a penalty provision, which supports maintaining fair and appropriate social housing allocation.

4. Continuing to set transparency requirements relating to delivery of home lending and ownership products.

The Regulation would continue to require a contracts register to be kept by the Chief Executive for section contracts. These are contracts entered under section 113 of the Act (or equivalent in previous repealed Acts) relating to the powers of the Chief Executive to sell houses to eligible persons.

The Regulation would also continue to prescribe associated fees and the standard interest rate policy under section 92 of the Act for owner-occupied home loans made by the Chief Executive.

As is the case for financial management, accountability, governance and service delivery requirements for funded housing service providers, using legislation to set these key requirements is necessary and appropriate given the significant use of public monies and need to ensure fair delivery of homeownership and home lending products.

5. Making modernising amendments that support a contemporary housing system

The new Regulation would also include several modernising updates to ensure the Regulation aligns with the contemporary housing system approaches in Queensland. These updates are detailed below.

Section 14 would be updated to reference the new *Social Housing Allocations Policy* to ensure consistency with the latest policy framework, the *Social Housing Policy*.

The definitions of *Social Housing Allocations Policy* and *Social Housing Eligibility Criteria* would also be updated in section 14 to reflect they form part of the new *Social Housing Policy* commencing on 14 September 2026.

The National Rental Affordability Scheme (NRAS) would be removed as a prescribed ancillary housing service in section 4 to reflect Queensland's exit from the scheme on 30 June 2025 and to eliminate outdated references in the Regulation.

The Chief Executive's power to waive or reduce fees in section 32 of the 2015 Regulation would be removed to enable the standardisation of fee waiver powers under section 30B of the *Statutory Instruments Act 1992*, reducing legislative burden and streamlining Queensland legislation provisions.

Section 10, which establishes one of the financial management and accountability requirements, would be also updated to support contemporary risk mitigation practices, contemporary funding agreements and community housing supply.

As of 30 June 2026, there are 114 Registered Community Housing Providers (RCHPs) in Queensland. Using funded property as security for a loan with Chief Executive written approval is currently restricted to the 46.1% of RCHPs which are registered companies under the *Corporations Act 2001* (Cth).

The change to section 10 would expand the opportunity for all RCHPs. It would most greatly benefit Tier 3 NRSCH providers with the following entity types: cooperative; incorporated association; aboriginal corporation; charitable trust; and church entity by act of parliament. Of RCHPs in Queensland not incorporated under the Corporations Act, Tier 3 providers represent 75.8%.

The change would support Government priorities to increase community housing supply, respond to sector calls for greater flexibility and align with the new Master Agreement for RCHPs (a Minister Charter Letter deliverable).

The new Master Agreement is a universal, long-term agreement between the Department of Housing and Public Works and RCHPs. It is a contractual document that sits within the funding framework, creating the right settings for funded providers to leverage existing department investment and drive sector growth. The initiative will significantly consolidate the number of lease agreements, cutting red tape, simplifying compliance and allowing RCHPs to focus on housing delivery.

The use of funded property as loan security carries inherent risks (including potential property sale or repossession in the event of default). While these risks may be higher for non-Corporations Act companies which are not subject to the same level of governance, financial controls and regulation as Corporations Act companies, any risks can be effectively mitigated and appropriately managed through the Chief Executive's written approval process which is focused on robust case-by-case due diligence and funding arrangement analysis.

In addition to Chief Executive oversight, safeguards such as modern governance arrangements for RCHPs, including through NRSCH registration as well as bank lending practices would also mitigate risks.

Impacts on stakeholders of proposed Option 2

Impacts on funded housing service providers
Setting the financial management, accountability, governance and service delivery requirements for funded providers in legislation creates legal certainty and stability. This supports housing service provider confidence in the participating in the Queensland housing system.

Without legislated requirements, providers may be deterred from participating in the Queensland housing system and inter-state housing service providers may be deterred from future expansion into Queensland, reducing the supply of funded housing services.

This would be inconsistent with Queensland Government priorities about growing housing supply in a housing crisis, and the commitment to deliver 53,500 social and community homes by 2044.

The amendment to section 10 further supports this by giving all RCHPs the opportunity to consider using funded property as security for a loan to enable RCHPs to better forward plan growth.

While the Regulation's financial management, accountability, governance and service delivery requirements may impose legislative burden on funded housing service providers, this is offset given these requirements are in exchange for the public funding of these services.

It is also offset through the Regulation's requirements serving as a high-level framework which is supported by non-legislative operational policies, funding agreements and contracts. For RCHPs, these requirements also align with intersecting frameworks, including the NRSCH National Regulatory Code and QRSCH, reducing duplication and regulatory overlap, and supporting providers to operate across jurisdictions if they choose to.

Impacts on people receiving housing services
The Regulation provides essential protections for people receiving housing services, including by prescribing housing service information requirements and, ensuring the consistent application of eligibility, allocation and rent policies, as well as privacy requirements and measures to preserve housing stock.

These safeguards promote fair access to housing and prevent inconsistent decision-making, reducing the risk of homelessness for vulnerable individuals. By embedding these protections in legislation, the Regulation provides the highest level of protection for this vulnerable cohort.

Impacts on Government
The Regulation ensures the transparent and accountable use of public funds by establishing clear legislative requirements for funded service providers and transparency requirements relating to the delivery of home lending and homeownership products.

This legislative framework upholds public confidence by supporting the Government's responsibilities to be fiscally accountability to the community.

The Regulation also enables continued, uninterrupted housing service delivery. This includes the continued ability to legally fund the HIF program, the BTR pilot project, and housing-related education and employment ancillary housing services.

It provides a stable and consistent legislative foundation, to support the Government's ability to address housing needs comprehensively and deliver critical housing solutions for Queenslanders.

Impacts on the broader community

The Regulation provides a framework to ensure housing services meet demand and provide equitable access, helping to reduce homelessness and address social inequality. By maintaining legislative transparency and accountability, the Regulation strengthens public confidence in housing providers and government initiatives, promoting continued community support for housing programs.

Additionally, the Regulation enables the operationalisation of Homes for Homes in Queensland, supporting an innovative model of private sector investment in social and affordable housing that is reliant on public buy-in.

The legislative foundation of the Regulation ensures a stable, transparent, and accountable housing sector that delivers meaningful outcomes for individuals and broader community alike.

Who was consulted?

The Regulation is primarily used by the department to regulate funded providers and support housing programs and initiatives. Accordingly, the sunset review was informed by ongoing consultation with key areas of the department across 2025 and 2026.

CHIA consultation pending

The key opportunity for improvement identified was amending section 10 to allow all RCHPs to use funded property as security for a loan with Chief Executive written approval. This has been a longstanding issue raised by the sector and aligns with the new Master Agreement, for which there has been significant sector consultation. Recent Master Agreement consultation noted the need for section 10 to be amended.

Apart from that improvement and minor drafting modernisation, the Regulation was found to be necessary, effective and efficient. Department consultation highlighted that many programs and initiatives rely on many aspects of the Regulation as currently drafted.

What is the recommended option and why?

Option 2

It is recommended that the Regulation is remade using the existing policy framework of the 2015 Regulation along with several modernising improvements. This approach is not only necessary to achieve the Objectives of Government Action outlined above but represents the most effective and efficient option.

As outlined in Option 1, allowing the Regulation to lapse and replacing requirements through funding agreements and operational policies would result in significant system change, costs and uncertainty. The resulting cost would be more significant than the continued operation of the existing framework through the re-made regulation and as such, would represent an inefficient use of public funds.

The remaking of the Regulation with several modernising improvements under Option 2 provides the greatest net benefit and balanced outcomes for funded housing service providers, people receiving housing services, the Government, and the broader community. It ensures efficient, transparent, and equitable use of taxpayer funding while enabling the continued uninterrupted delivery of essential housing services and programs.

Due to the important support the Regulation provides for the Act, continuing the existing policy framework of the 2015 Regulation with modernising improvements supports the continued and effective operation of the Queensland housing system and supports housing growth. It creates appropriate certainty, stability and support for housing service delivery, supply and increased growth. It also ensures equitable and fair access to housing. By maintaining a stable legislative foundation, the Regulation allows the Government to focus resources on delivering housing supports, supply and growth.

The approach is consistent with the Queensland Government commitment regarding the delivery of 53,500 new social and community homes by 2044.

The approach is also consistent with the Minister's Charter Letter deliverables to support the delivery of community housing supply and "contribute to delivering a legislative and regulatory environment built on stability and certainty which will deliver strong investor confidence in Queensland, therein driving up housing supply and maintaining housing affordability for homeowners and renters alike".

Impact assessment

As noted above, quantifying the direct costs associated with the Regulation is challenging because regulatory oversight, contract management, performance monitoring and compliance support activities are delivered as part of broader housing service functions and funding arrangements. Consequently, it is not possible to reliably isolate and quantify the proportion of departmental resources attributable solely to the Regulation. Government costs associated with administering and supporting compliance with the Regulation are expected to continue at current levels and be absorbed within existing funding allocations.

All proposals – complete:

	First full year	First 10 years**
Direct costs – *Compliance costs**	There are no direct compliance costs for funded providers, as compliance activities are subsidised through existing government funding arrangements.	Government incurs costs associated with administering, monitoring and supporting compliance with the Regulation. These costs cannot be reliably quantified because they are embedded within broader departmental housing service functions and funding arrangements. No material increase in government costs is expected as a result of remaking the Regulation, and costs will continue to be absorbed within existing funding allocations.
Direct costs – *Government costs*	There are no direct compliance costs for funded providers, as compliance activities are subsidised through existing government funding arrangements.	Government administration, monitoring and compliance support costs are expected to continue over the 10-year period but cannot be reliably quantified for the reasons outlined above. As the Regulation overall preserves existing arrangements, no material change in government costs is expected and costs will continue to be absorbed within existing funding allocations.

Signed

Mark Cridland
Director-General
Department of Housing and Public Works
Date: 5/8/26

Sam O'Connor MP
Minister for Housing and Public Works
Minister for Youth
Date: 6/8/2026