Statement of Corporate Intent | 2024–25

DHA
Defence Housing Australia

Our Purpose

Defence Housing Australia's purpose is meeting the operational needs of the Australian Defence Force and the requirements of the Department of Defence by providing adequate and suitable housing for, and housing related services to members of the Australian Defence Force and their families.

Values

DHA acts in accordance with the APS values when undertaking operational activities and service delivery. The APS Values articulate the parliament's expectations of public servants in terms of performance and standards of behaviour. The principles of good public administration are embodied in the APS Values. The APS Values require that we are:

Impartial

The APS is apolitical and provides the government with advice that is frank, honest, timely and based on the best available evidence.

Committed to service

The APS is professional, objective, innovative and efficient, and works collaboratively to achieve the best results for the Australian community and the government.

Accountable

The APS is open and accountable to the Australian community under the law and within the framework of Ministerial responsibility.

Respectful

The APS respects all people, including their rights and their heritage.

Ethical

The APS demonstrates leadership, is trustworthy, and acts with integrity, in all that it does.

Stewardship

The APS builds its capability and institutional knowledge and supports the public interest now and into the future, by understanding the long-term impacts of what it does.

Introduction

The Defence Housing Australia Statement of Corporate Intent 2024–25 describes strategic objectives and initiatives that we will undertake to meet Defence's requirements for housing and housing related services however, there are key challenges we face and seek to address.

Preparation statement

The Defence Housing Australia Statement of Corporate Intent 2024–25 has been prepared for the reporting period of 2024–25 and covers the financial years from 2024–25 to 2027–28 in accordance with paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

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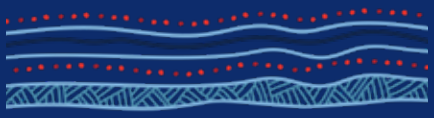
DHA acknowledges the Traditional Owners of the land and communities in which we work. We pay our respects to Elders past, present and future.



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Chair and Managing Director's Message

We are pleased to present Defence Housing Australia's Statement of Corporate Intent 2024–25. The Plan sets out how we will pursue our purpose in support of Defence capability.

DHA was established in 1988 following passage of the *Defence Housing Australia Act 1987* (DHA Act) to provide adequate and suitable housing for, and housing related services to, members of the Australian Defence Force (ADF) and their families. We remain committed to our purpose of providing housing, and housing related services, to ADF members and their families to support Defence's operational needs.

DHA manages an expanding portfolio of housing solutions and provides housing for over 17,200 ADF members and their families and administers rent allowance for more than 16,000 ADF members and their families in private rental accommodation. DHA provides housing related services advising on eligibility, providing posting support, and managing bookings and allocation services for all DHA provisioned housing and on-base accommodation to approximately 60,000 ADF members.

The 2024 National Defence Strategy details the ambitious transformation the ADF is undergoing and the repositioning towards a National Defence approach. DHA will support this generational uplift in Defence's capabilities by utilising our scale to meet housing demand and leveraging technology to improve operational performance and member experience. DHA recognises the breadth of change in Defence demographics and expectations of transparent and quality services which evolve over time, supported by aligned policy objectives.

DHA's success lies in having a strong relationship with Defence and, together, putting ADF members and their families at the heart of our operations, supporting and enabling the recruitment and retention of Defence capability.

This Plan describes the objectives and supporting initiatives that we will undertake to meet Defence's requirements for housing (and housing services) in support of Australia's future Defence capability. The Plan reflects the influence of property market conditions and critical initiatives related to the implementation of sustainable funding and a scalable operating model that meets the needs of the evolving Defence landscape we operate within, balancing certainty in supply and flexibility in housing solutions being provided.

Broader environmental and social considerations of how DHA provides its service to the ADF is a core element of this Plan and the strategic objectives within.

Dr Robert Lang
Chair
31 August 2024

Brett Jorgensen
Acting Managing Director
31 August 2024

Key activities

We contribute to Defence outcomes by providing total housing services that meet Defence operational and client needs through a strong customer and business focus

Our Capability

Housing

DHA provides housing to ADF personnel, including Service residences, leasing options, and eligibility support. DHA manages a large portfolio of properties across Australia to ensure availability and accessibility for ADF members regardless of their posting location.

DHA employs a dedicated team of professionals with expertise in property management, real estate, and customer service. Staff are trained to understand the unique needs of ADF members and provide tailored housing solutions that align with Defence housing policies. DHA collaborates with various stakeholders, including government bodies, private sector builders, real estate agents, and maintenance contractors to deliver housing services and uses a systematic allocation process to match ADF members with suitable housing based on their rank, family size, and posting location in accordance with Defence housing policies.

DHA's capability delivers crucial value to the Department of Defence by providing certainty of housing in a cost-effective manner and supporting Defence members to transition to new posting locations.

This activity is crucial for the morale and well-being of Defence members, which in turn enhances operational readiness and effectiveness of the Australian Defence Force.

DHA conducts surveys to measure performance and to gather feedback from ADF members and their families, which DHA uses to inform service delivery and Defence housing policy.

Housing Related Services

DHA places a strong emphasis on customer service, providing support through various channels to address the housing needs and concerns of Defence members and their families. DHA supports Defence members to understand their entitlements at all stages of their Defence Housing journey. DHA manages bookings and allocations, manages properties including repairs and maintenance and supports Defence members to relocate when posted to a new region.

DHA supports the operational needs of Defence by administering housing related services in a cost-effective approach that supports a positive straightforward experience for Defence members and their families.

DHA continues to support Defence policy alignment with the National Defence Strategy to enable flexibility in the delivery of housing related services.

Defence's Housing Environment

The Department of Defence oversees the policy and supports delivery of housing assets totalling approximately 90,000

17,200
DHA service residence

46,000
Living in accommodation

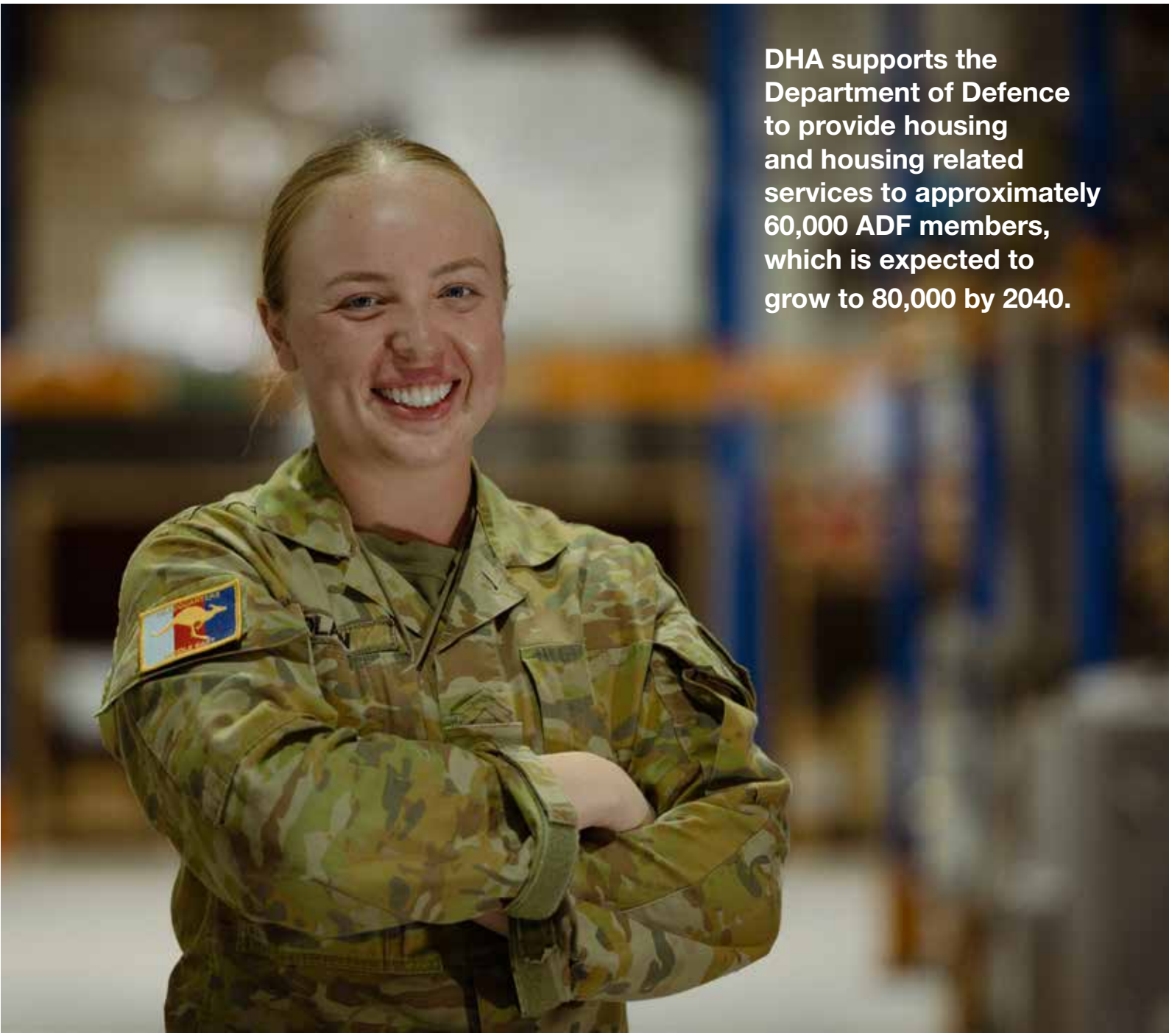
16,000
Private market (Rent allowance)

1,280
Defence on-base residence

12,300
Own home (Ownership)

170
International partner and benevolent housing (ex-contractors)

DHA provides accommodation in the form of DHA provisioned housing and housing related services in all categories except international partners and benevolent housing



DHA supports the Department of Defence to provide housing and housing related services to approximately 60,000 ADF members, which is expected to grow to 80,000 by 2040.

The DHA Portfolio

DHA provides housing and related services to ADF members and their families in the Service residence category listed above. This commitment is aimed at supporting the operational, recruitment, and retention objectives of the ADF and the Department of Defence.

DHA's operating model is responding to changes in Defence member demographics, preferences, and expectations, to ensure that DHA meets the evolving needs of our Defence members while maintaining financial viability.

- Approximately 17,000 houses maintained for ADF members and their families.
- Approximately 60,000 ADF personnel were provided housing and housing related services by DHA.

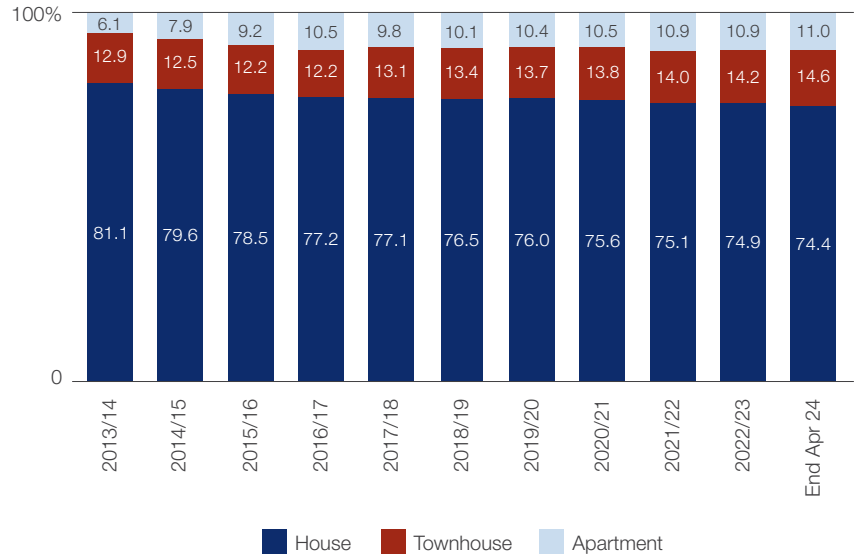
DHA's investor base consists of over 10,000 landlords who provide approximately 12,000 property leases to Defence members. DHA will pursue significant portfolio renewal due to changing investor preferences and challenges to stability with 70 per cent of leases expiring over the next three years.

DHA Properties

DHA properties currently house Defence members in the largest numbers in Canberra, followed by Brisbane, Sydney, Darwin, Townsville, and Adelaide.

DHA'S TOTAL PORTFOLIO | **17,200**

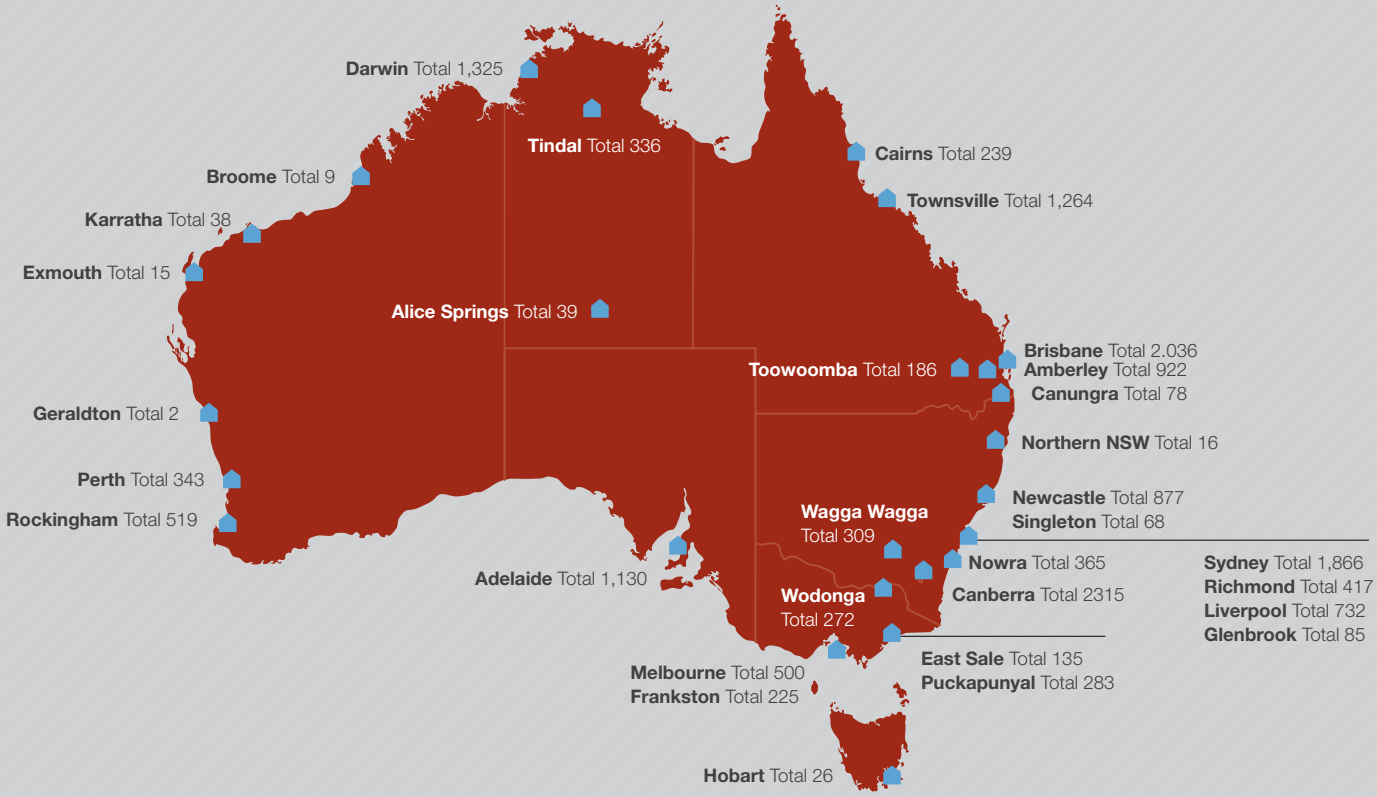
FIGURE 1: Changes of housing type in the DHA portfolio over time



APARTMENT
1,897

HOUSE
12,806

TOWNHOUSE
2,497



NT

Darwin
Apartment: 200
House: 990
Townhouse: 135

Tindal
Apartment: 0
House: 326
Townhouse: 10

Alice Springs
Apartment: 1
House: 28
Townhouse: 10

QLD

Amberley
Apartment: 22
House: 944
Townhouse: 26

Brisbane
Apartment: 284
House: 1,457
Townhouse: 295

Cairns
Apartment: 20
House: 205
Townhouse: 14

Townsville
Apartment: 62
House: 1,139
Townhouse: 63

Toowoomba
Apartment: 0
House: 184
Townhouse: 2

Canungra
Apartment: 0
House: 78
Townhouse: 0

NSW

Sydney
Apartment: 580
House: 369
Townhouse: 917

Richmond
Apartment: 26
House: 336
Townhouse: 55

Liverpool
Apartment: 0
House: 657
Townhouse: 75

Glenbrook
Apartment: 0
House: 81
Townhouse: 4

Newcastle
Apartment: 55
House: 749
Townhouse: 73

Singleton
Apartment: 0
House: 68
Townhouse: 0
Total: 68

Nowra DHF
Apartment: 0
House: 326
Townhouse: 39
Total: 365

Northern NSW
Apartment: 0
House: 16
Townhouse: 0

Wodonga
Apartment: 0
House: 272
Townhouse: 0

Wagga Wagga
Apartment: 0
House: 308
Townhouse: 1

Vic

Melbourne
Apartment: 50
House: 360
Townhouse: 90

Frankston
Apartment: 0
House: 198
Townhouse: 27

East Sale
Apartment: 0
House: 134
Townhouse: 1

Puckapunyal
Apartment: 0
House: 268
Townhouse: 15

SA

Adelaide
Apartment: 152
House: 811
Townhouse: 167

ACT

Canberra
Apartment: 334
House: 1,637
Townhouse: 344

Tas

Hobart
Apartment: 0
House: 26
Townhouse: 0

WA

Perth
Apartment: 41
House: 258
Townhouse: 44

Geraldton
Apartment: 0
House: 2
Townhouse: 0

Exmouth
Apartment: 0
House: 15
Townhouse: 0

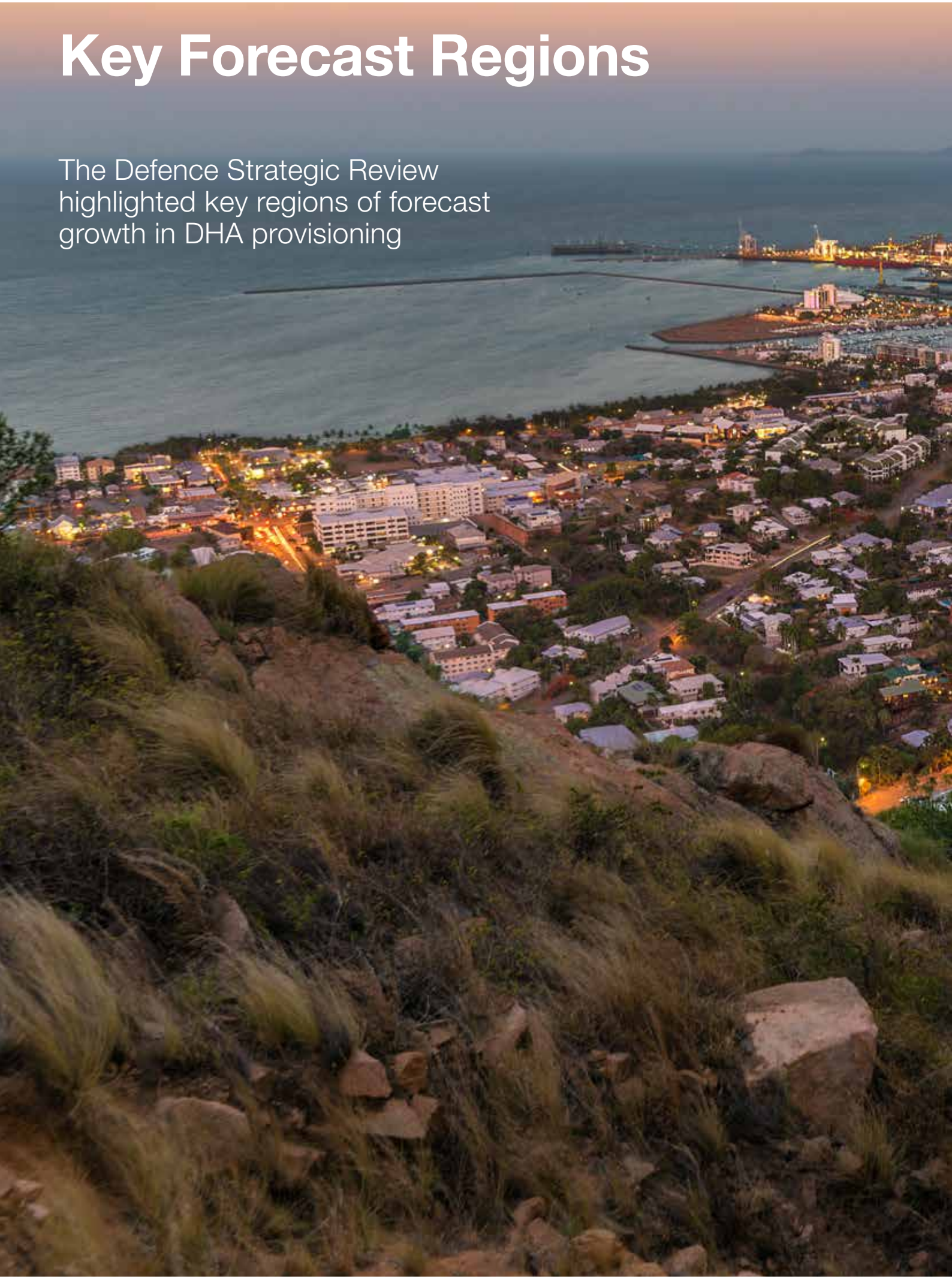
Karratha
Apartment: 0
House: 38
Townhouse: 0

Broome
Apartment: 0
House: 8
Townhouse: 1

Rockingham
Apartment: 42
House: 418
Townhouse: 59
Total: 519

Key Forecast Regions

The Defence Strategic Review highlighted key regions of forecast growth in DHA provisioning



Townsville, Queensland

The Defence Strategic Review[1] identified Townsville as a growth area. While the Defence Housing Forecast (DHF) indicates moderate growth over the forecast period of approximately 103, recent interactions with Defence have indicated an update to the DHF of additional numbers. Townsville is another challenging housing market for DHA, with the median house price in Townsville up 5 per cent in the 12 months to January, while the median unit price was up 1.9 per cent.[2] At the same time the total number of sales and rental listings decreased 16.3 per cent for houses and 16.6 per cent for units. To meet these challenges DHA has undertaken industry engagement which has already begun to deliver our New Builds Volume Leasing Program. An Expression of Interest (EOI) was released in late May 2024 and closed in late June 2024 with evaluations to follow closing.

In the Townsville region DHA will also focus on:

- increasing lease renewal conversions to 70 per cent to maximise retaining residences where possible, to reduce the impact of a large number of lease exits,
- utilising acquisitions to leverage bulk leasing deals, and
- increasing rent band choice to provide diversity in housing stock.

1 Department of Defence, 2023. Australian National Defence: Defence Strategic Review Paper, Canberra.
2 Jones Lang LaSalle, 2023. Townsville. Market Insights report. Prepared for Defence Housing Australia.

Rockingham, Western Australia

DHA is aware that there will be significant and rapid growth in the Rockingham area over the next five years. The housing market in the Perth metropolitan region continues to lead capital growth performance in the greater capital city markets, with values up six per cent in the three months to April 2024 and up 21.1 per cent over the past year.

Regions such as Rockingham have seen the median sale price increase by approximately 15 per cent over the last 12 months and the median weekly rent increase by around 18 per cent. At the same time sales and rental housing stock availability has decreased in the Rockingham region with a reduction in the total number of listings of 20.1 per cent for houses and 16.1 per cent for units from the previous 12 months. These market conditions of decreased supply and increased prices present DHA with a significant challenge in meeting the rapid growth required in the Rockingham area.[3]

To meet this increased demand and rapid growth under challenging market conditions, DHA is developing a range of strategies, such as:

- build to retain or sell and lease programs with industry partners,
- corporate investment packages,
- property fund/trusts relationships,
- increasing existing lease renewal conversions to 70 per cent, and
- utilising acquisitions to leverage bulk leasing deals.

The Rockingham New Builds Volume Leasing Program Expression of Interest (EOI) closed on AusTender on 2 May 2024. Agreements with respondents to this EOI are expected to be entered into early in the 2024–25 financial year. This initiative will establish long-term scalable arrangements with industry to deliver newly constructed, high-quality properties across the Rockingham region, and provide a basis for broader industry engagement.

Other regions

Beyond the major growth areas of Rockingham and Townsville, other areas of significant growth have been identified by the Defence Housing Forecast. The Canberra (ACT) region will see growth of over 210 residences over five years, the Sydney (NSW) region will see growth of just over 240 residences over five years, while the Nowra (NSW) region will see growth of up to 95 residences over five years.

To meet this increased demand, DHA has released an Expression of Interest for industry partnerships to develop relationships with organisations that can support the delivery of residences rapidly. DHA will also focus on:

- Increasing lease renewal conversions to 70 per cent to maximise retaining residences where possible, in Sydney substantial lease exits will need to be mitigated with renewals increased beyond 75 per cent.
- Utilising acquisitions to leverage bulk leasing deals.
- Maximising existing partnerships for bulk leasing.
- Increasing rent band choice to provide diversity in housing stock.
- In Nowra, the geographic split between bases provides opportunities for new developments north of Nowra to service HMAS Albatross.

3 Jones Lang LaSalle, 2023. Rockingham Market Insights report. Prepared for Defence Housing Australia.

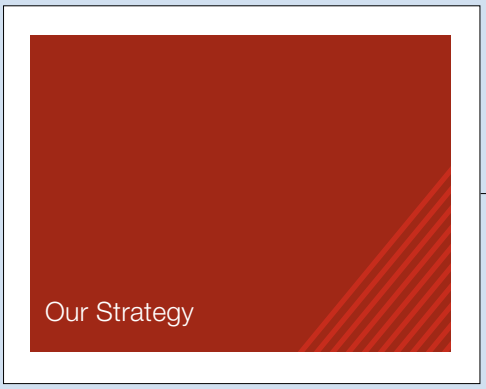
Guide to Reading this Statement of Corporate Intent

Chair and Managing Director's Message

Capability

Defence's Housing Environment

Our Changing Operating Context



Our Strategy

	Aligned housing solutions delivered through a simplified, customer-centric operating model
	Build an agile and scalable housing capability
	Commitment to environmental, social, and governance (ESG) excellence
	Fiscal responsibility and long-term financial stability

This guide is designed to assist navigation of this Statement of Corporate Intent. The introductory Chair and Managing Director's message, the Capability, Environment and Operating Context sections detail the evolving Defence housing ecosystem that DHA operates within. Our Strategy details DHA's adaptations to the challenges defined and DHA's plan to deliver on our purpose within this context.

Our Changing Operating Context

Defence's needs are changing at a rapid rate	Defence members and their families' preferences are changing	Housing markets constantly evolve	DHA intends to keep pace with technological change	DHA intends to respond to societal and community expectations on ESG	DHA intends to address its funding model constraints
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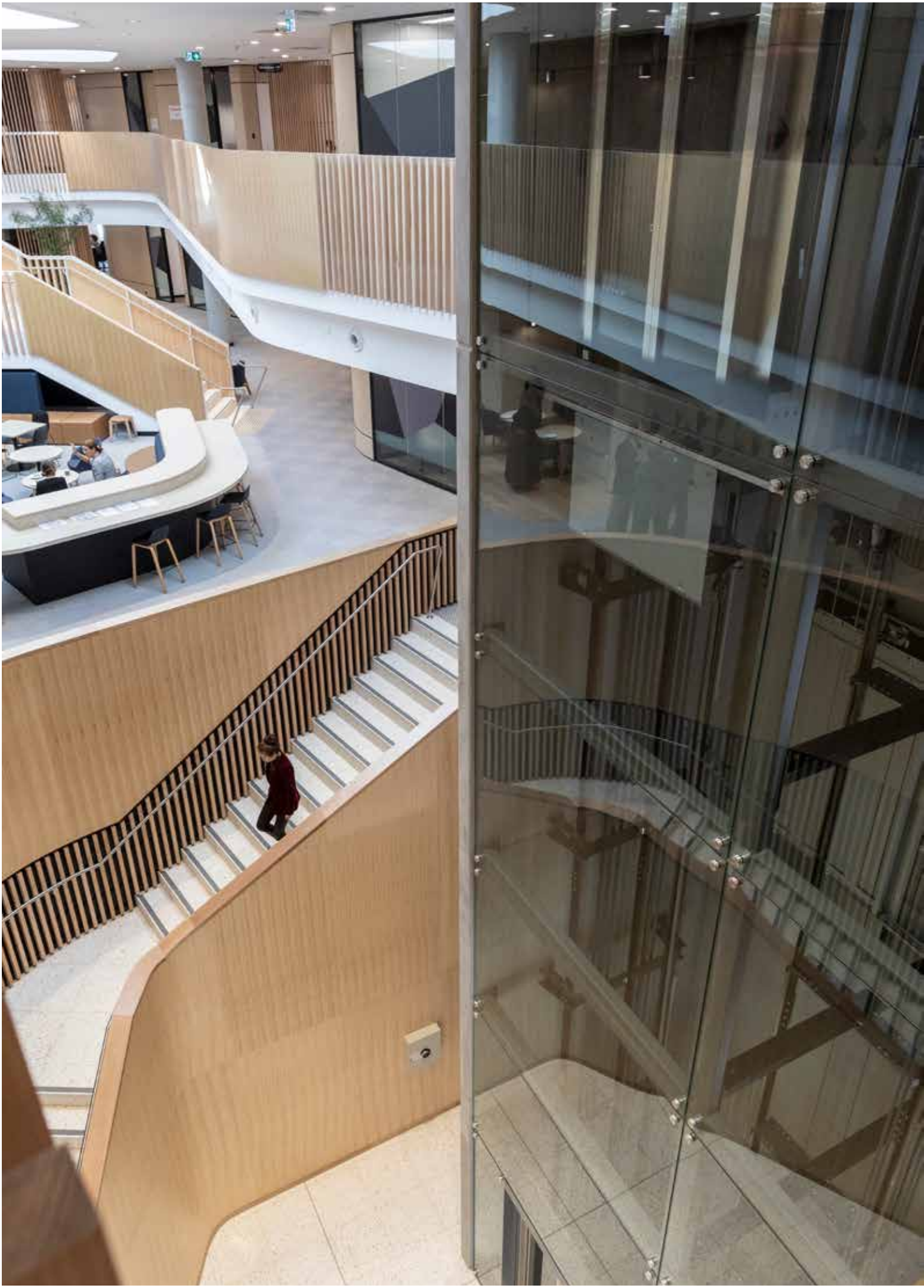
				●	
●	●	●	●	●	●



Our Changing Operating Context

A range of internal and external factors have been assessed in consideration of the future housing requirements of the ADF. Each of the strategic drivers have been considered in shaping the DHA strategy and initiatives as outlined in this Statement of Corporate Intent.

Strategic Driver 1:

Defence's needs are changing at a rapid rate

STRATEGIC IMPACT

DHA will rapidly grow its portfolio in key regions to meet Defence requirements.

STRATEGIC OPPORTUNITY

DHA will become more agile by establishing the capability to rapidly provision new properties within the portfolio and respond to Defence's changing requirements.

Expansion and Reorientation of the Portfolio

Defence has announced its intent to grow the ADF to enable its response to a rapidly changing strategic environment. Defence has plans to increase permanent ADF personnel by around 30 per cent by 2040. This represents an increase of 18,500 over the baseline growth already established in the 2020 Force Structure Plan. This growth has been pursued actively by Defence through a significant investment in recruitment and retention initiatives.

Annually Defence provides DHA with a Defence Housing Forecast (DHF) outlining the known housing requirements of ADF members who require housing from DHA, Figure 2. The DHF does not include broader force movements for all non-DHA housed ADF members. Over the period of the Statement of Corporate Intent, there is an additional need for more than 2,000 homes to add to the 17,000 already provided by DHA. This equates to a 15 per cent growth of the portfolio.

As DHA's portfolio is comprised primarily of properties leased from private investors, more than 6,000 leases are expected to expire over the Statement of Corporate Intent period. Whilst strategies are in place to ensure the maximum number of leases can be re-entered into across the portfolio, DHA continues to rely on introducing new properties to the portfolio via direct leasing and other low-capital means.

As part of this anticipated portfolio growth, housing will be required across regions which present strategic value to the ADF. Primarily, this includes growing housing requirements across Northern Australia and in Rockingham, Western Australia.

DHA's ability to support the ADF in providing a housing capability in these regions will need legislation, housing policy and funding model reform to be fully and effectively achieved.

2024 National Defence Strategy and Integrated Investment Program

The National Defence Strategy (NDS) provides a blueprint to deliver an ambitious transformation of the ADF. It sets out the Government's approach to address Australia's most significant strategic risks based on the concept of National Defence. It outlines the strategic framework that will guide the significant and urgent changes required to transform Defence's capability, force posture, force structure, acquisition, recruitment and international engagement.

The NDS builds on the Defence Strategic Review (DSR)[4] which recommended changes in Defence force structure, capability and capacity requirements, requiring significant focus and effort to recruit and retain sufficient Defence personnel. The NDS and Integrated Investment Program (IIP) notes in detail Defence's strategy regarding Northern Bases and Enterprise Infrastructure to enhance basing capability for force projection. In total, the IIP has placed an investment of $30-$40bn over the coming decade for these two initiatives, which DHA anticipates will bring housing requirements beyond those planned at present.

Both the NDS and DSR highlight a need for the development of a highly skilled and integrated workforce which is supported by a Defence industry workforce in priority areas in support of the National Defence approach. The culmination of the NDS, DSR and IIP is a growing Defence force with a Northern Australia geographical focus. This growth and geographical focus accounts for the increase in the provisioning demand for housing which is expected to continue. DHA is working closely with the ADF to enable workforce engagement via the DHF process, noting the rapidly evolving requirements.

Defence Services Agreement

The Defence Services Agreement (the Services Agreement) has provided a long-standing foundation to support the delivery of housing and housing related services to Defence. The Services Agreement is now constraining the ability of DHA to respond to changing Defence requirements, market conditions and member preferences.

Defence and DHA are working to refresh the Services Agreement and inform Defence's housing policy and entitlement framework to better enable Defence's operational needs and member preferences to be met, both current and future. This will enable DHA to enhance its suite of services and be able to transform with changes in market conditions, demand requirements and member preferences. When implemented, DHA will provide scalable housing solutions with a wider range of housing options for Defence members.

The pace of change is rapid, and the role DHA is being asked fulfil is expanding to include housing people who are not traditional ADF members. This includes the housing of US and UK personnel for Submarine Rotational Force – West, and civilians and contractors engaged in support of the requirements of the NDS and IIP. A refreshed Services Agreement would allow DHA to distinguish housing and housing support needs between parties (other than the ADF) and enable development of a service model which meets the desired policy objectives of Defence.

In early 2024, (primarily as a result of the DHA Funding Model Review Next Steps), DHA commenced a body of work to develop a flexible pricing model which will support current and changing requirements of Defence. This model will consider the whole-of-life portfolio costs for DHA and Defence.

4 Department of Defence, 2023. Australian National Defence: Defence Strategic Review Paper, Canberra.

Strategic Driver 2:

Defence members and their families' preferences are changing

STRATEGIC OPPORTUNITY

DHA can maintain alignment with changing member preferences through provisioning decisions and investing in targeted improvements to the member service experience.

Defence Housing Policy

Defence housing policy is the key driver for housing style, service and related entitlements for ADF members and their families. The Defence Pay and Conditions Manual (PACMAN) outlines these policies to the extent that the minimum requirements of a typical Service residence are described and remains focused on a traditional freestanding house model. The last major change to housing policy in PACMAN was in 2007 with the move from an attribute-based housing entitlement to a market rent entitlement (with a minimum standard of entitlement).

DHA remains committed to supporting Defence to inform opportunities for policy change to meet the changing preferences of ADF members and their families. DHA will also work to support Defence policy where possible by commencing planning ready for implementation once policy changes are confirmed necessary given the long lead times associated with reorienting a housing portfolio and adjusting supplier arrangements.

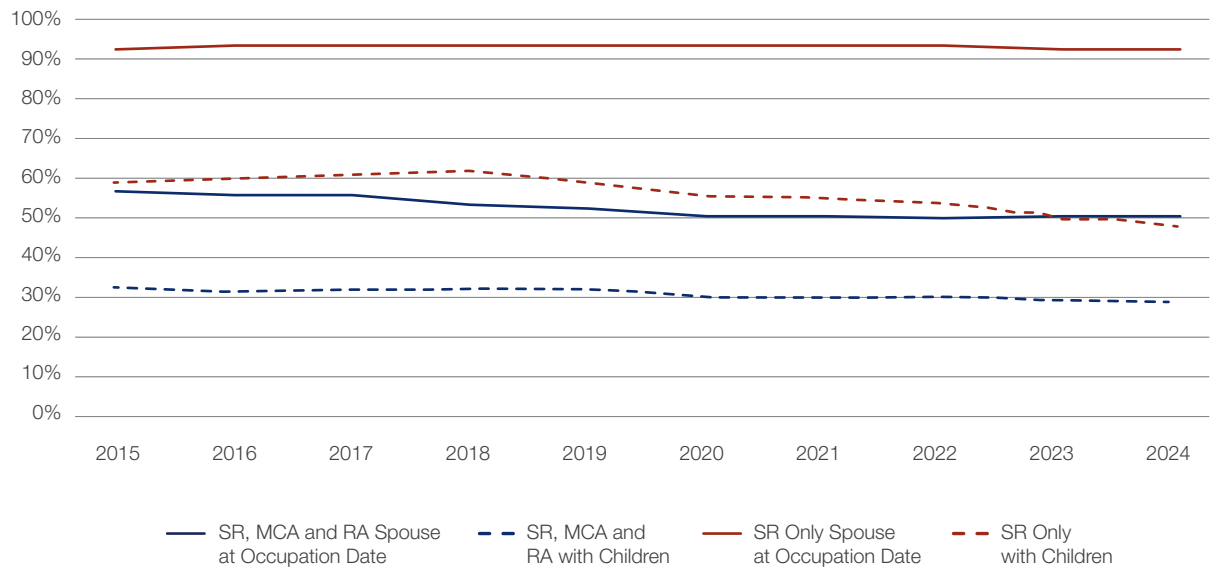
Family and Member Demographics

DHA evaluates demographic data on ADF member tenants and their families. While demographic analysis is usually conducted over multiple decades, we can inform positions through the approximately 9 years of data collection.

As of May 2024:

- **93 per cent** of ADF member tenants in Service residences have a spouse (50.6 per cent of ADF member tenants across Service residences, Member choice accommodation and Rental Allowance)
- **48 per cent** of ADF member tenants in Service residences have children (27.3 per cent of ADF member tenants across Service residences, Member choice accommodation and Rental Allowance)
- The ADF member in Service residences, on average, has **two children** with the range of family sizes from no children to eight children

FIGURE 2: Percentage of Member Tenants with a Spouse and Children



The trend analysis (Figure 2) of ADF member family demographics is not significant to an extent that warrants a review of the housing product (for example an increase in the standard number of bedrooms to accommodate larger families). However, in reference to the survey data described below under "Housing Preferences", we recognise that members value a "Diversity of dwelling type (detached house, townhouse, unit etc.)".

48%

of ADF member tenants in Service residences have children

The current age demographic of members living in Service residences and Members Choice Accommodation provides insight on how ADF members may want to interact with Services in the future. In general, younger demographics prefer self-service digital service interactions, in preference to phone or in-person engagement. DHA will continue to invest in a customer-centric self-service environment (both technology and processes) to support this demographic transition. The current age profile of ADF members is detailed in Figures 3 and 4.

The age profile distribution presented highlights that a substantial portion of ADF members are less than 40 years old. This age distribution, in combination with Defence member expectations and broader societal trends towards a preference for digitally enabled service interactions (as opposed to phone and in-person options) reinforces the need for DHA to continue to invest in an effective online member experience. This theme is reinforced by ADF member survey insights presented as part of "Service Preferences" below.

FIGURE 3: Service residence – Occupants by Age

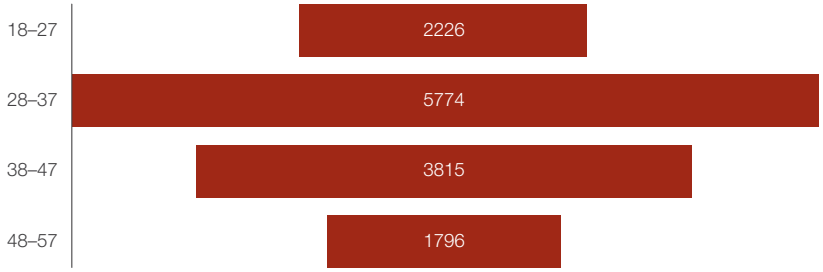
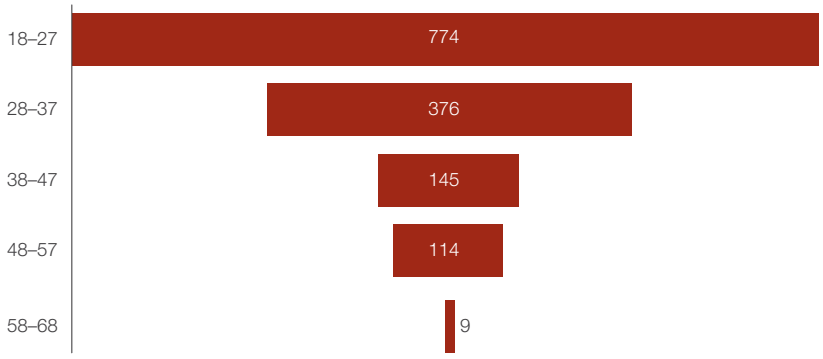


FIGURE 4: Members Choice Accommodation – Occupant by Age



Housing Preferences

Our most recent Annual Occupant Survey (2023) provides insight into the changing housing preferences of members. The location of DHA housing at 58 per cent was identified as the biggest potential area of improvement, followed by more flexibility in the size of properties (43 per cent) and the diversity of dwelling type (32 per cent). An assessment of the survey data over the last three years highlights the extent to which "location" has increased in being identified as the key feature for improvement. This three-year view is presented in Table 2.

A further examination of "location" aspects in relation to their importance (rated important / unimportant) within the survey highlights the sub-elements of location which are most important to members. Proximity to base/place of work was considered the most important attribute (95 per cent), followed by proximity to shops (93 per cent), proximity to partner employment (84 per cent), proximity to schools (65 per cent) and proximity to childcare (48 per cent).

TABLE 1: Survey responses from 2023, 2022 and 2021

Which of the following property features would you most like to see improved with regards to DHA's housing? *				
Property features	**2023**	**2022**	**2021**	**Net increase (decrease)**
Location of DHA properties	58%	38%	34%	24%
Size of DHA properties	43%	32%	35%	8%
Diversity of dwelling type (detached house, townhouse, unit etc.)	32%	21%	24%	8%
Other	16%	9%	8%	8%
Not applicable	12%	No N/A option available	No N/A option available	N/A

*Note: members can select multiple options

The overarching insight from this analysis is that DHA intends to **increase flexibility** in its portfolio. The proximity to Defence bases / places of work should be the primary focus for provisioning decisions. However, having met this condition – a blend of traditional detached houses, townhouses and units will ensure that DHA caters for members who weight property size highly in their preferences, in addition to those who weight other factors more prominently and are more flexible with the size and type of dwelling.

TABLE 2: Use of online services by device category

Device Category	2023	2022	2021	Net increase / (decrease)
Desktop	38.0%	35.1%	41.5%	(3.5%)
Mobile	60.7%	63.3%	56.8%	3.9%
Tablet	1.3%	1.6%	1.7%	(0.4%)
	100%	**100%**	**100%**	

Service Preferences

Member surveys show that their preferred channels to engage with DHA is self-service through Online Services (36 per cent), telephone (31 per cent) and email (29 per cent). The key trend in member interactions is the significant year-on-year increase in the use of online services. From 2010 to 2023, distinct user logins to online services have grown by **726 per cent**, with a **31 per cent** increase occurring between 2019 and 2023.

Members are also progressively transitioning from desktop towards mobile devices to access online services. This trend is illustrated in Table 2 and is expected to continue over the Statement of Corporate Intent period.

In terms of member satisfaction, the Annual Occupant Survey 2023 report indicates that 72 per cent of members are satisfied with the online services experience. However, this satisfaction level has fallen from 81 per cent (-9 per cent) since 2020. The five areas in which members report the highest "dissatisfaction" are listed below:

- Tracking an online inquiry (21 per cent dissatisfaction)
- Viewing housing options through online services (19 per cent dissatisfaction)
- Selecting a house through online services (18 per cent dissatisfaction)
- Submitting an online enquiry (15 per cent dissatisfaction)
- Submitting a maintenance request (14 per cent dissatisfaction)

To improve the member experience with DHA and align with their preferred method for engagement, DHA will provide a transparent service and continue to improve the functionality and member's digital experience. Investments will focus on the five areas which are generating the greatest levels of member dissatisfaction. In recognition of the trend towards engaging via mobile devices, DHA will consider how the Online Services user experience can be maintained across multiple platforms.

Defence Housing Support Review / Defence Employee Value Proposition

In May 2023, the Government announced the commencement of the Defence Housing Support Review. The review seeks to assess the adequacy of Defence housing across the country, both the Defence Home Ownership Assistance Scheme and the rental scheme. Its objective is to ensure that Defence housing meets the needs of Defence Force personnel – in addition to serving a key role as an attraction and retention mechanism for Defence Force personnel.

DHA has been pleased to share some of the key insights from member survey data and engagement (much of which has been described previously in this section). In summary, some of the key themes are as follows:

- The current housing model allows members to access suitable housing easily compared to the general Australian population;
- Member preferences with regards to housing features vary across members and are changing;
- Members appreciate the flexibility provided by Member choice accommodation, rent band choice, the flexible housing trial, and Living Environment Accommodation Precinct accommodation; and
- A quality housing product accompanied by accessible, consistent, and efficient support services. Members have identified several areas in which DHA can improve in this area (as described previously).

DHA continues to actively engage with Defence as part of the review and will work to implement its endorsed recommendations once finalised and according to member preferences.

Strategic Driver 3:

Housing markets constantly evolve

STRATEGIC IMPACT

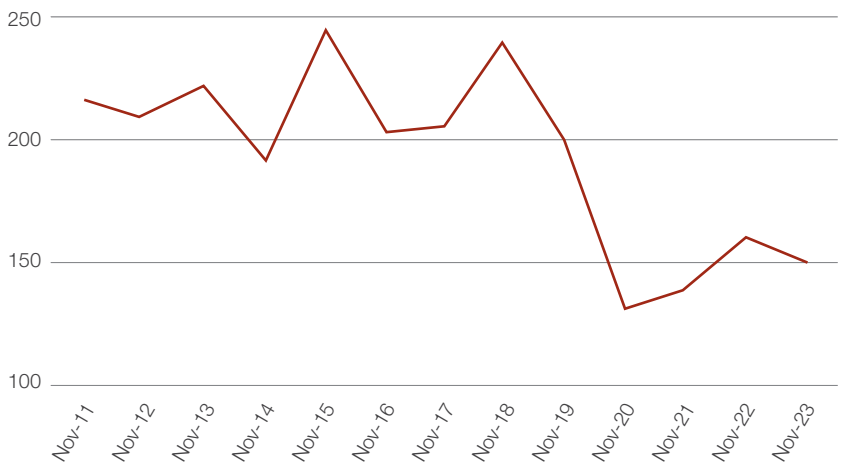
DHA's housing acquisition and rental costs will continue to increase. The supply of suitable rental properties is expected to be constrained as investor markets change.

As an intermediary and participant in the market, DHA's ability to deliver against its purpose is impacted by the housing market and economic environment. Property values and weekly rent continue to trend upwards, driven by limited supply and increased demand for housing. Landlord sentiment continues to provide DHA with feedback that economic factors are impacting investor capacity to retain their properties with DHA. Trends in lease surrender requests and failed renewals alike demonstrate the increased financial pressure on landlords, with over 60 per cent of failed renewals in 2023–24 returned to the landlord due to their alternative investment strategies. Additionally, 25 per cent of properties handed back were due to the landlord wanting to sell the property unencumbered by a lease, and approximately 12 per cent were seeking to occupy the property themselves.

Macroeconomic Supply and Demand

DHA continues to face a significant mismatch between housing supply and demand. There is and will continue to be a low supply of houses available to buy or rent coupled with increasing demand for housing through population growth as articulated in the Federal Budget 2024–25, Paper 1, Statement 4: *Meeting Australia's Housing Challenge*. Both the number of homes being offered for sale (Figure 5) and the number of homes for rent (Figure 6) have been falling rapidly.

FIGURE 5: Total national established property market listings



Rental vacancy rate is well below the rate considered to reflect a balanced rental market of around 3 per cent (Figure 7). Key regions, such as Perth rental vacancy is as low as 0.6 per cent, Sydney is 1.2 per cent and Canberra is 1.7 per cent.

This shortage of housing stock is making it difficult to find a property to buy or rent. The impact of the imbalance between new supply and new demand for dwellings is reflected in the respective prices of the rental and established housing market. In most capital cities, rents are growing over time at a rapid pace with average national rent up ten per cent over the last 12 months. Housing market prices continue to rise significantly, also up ten per cent over the last 12 months.

FIGURE 6: Total national rental market listings

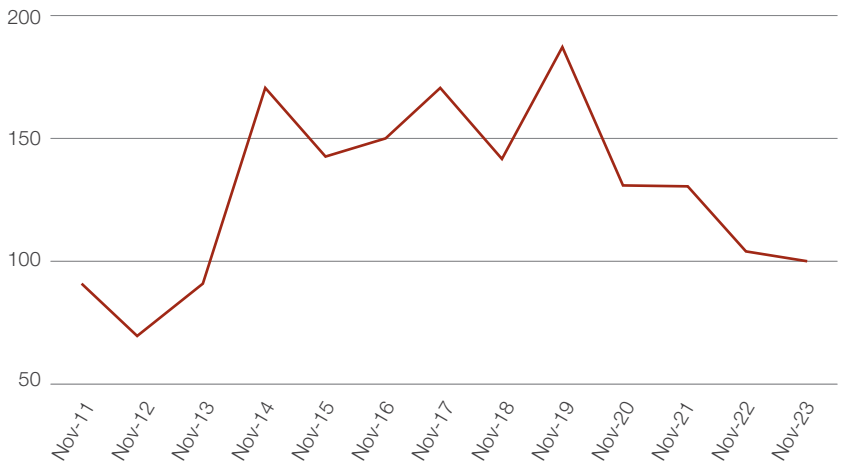
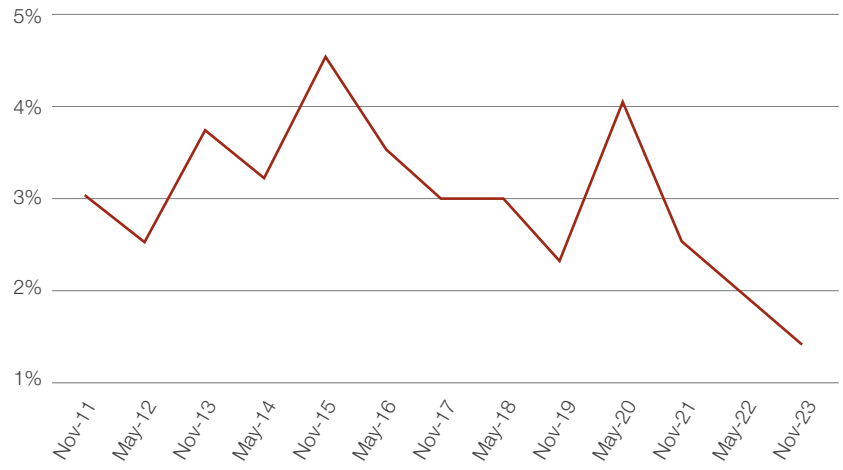


FIGURE 7: National dwelling rental vacancy rate



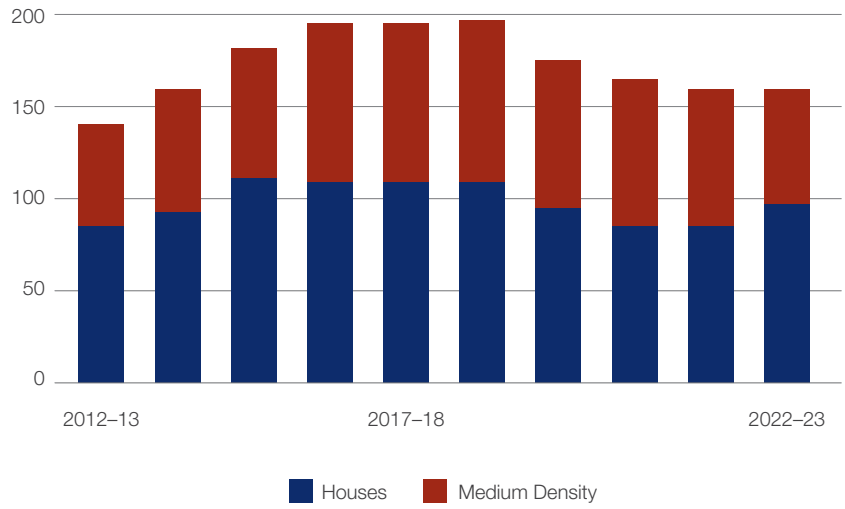
Supply chain challenges flowing from the COVID-19 pandemic and higher costs of construction and finance have contributed to making new housing supply more expensive, and limiting how quickly homes can be built. Since the 2019–2020 financial year new private dwelling completions have continued to decline (Figure 8).

Following the 2024 Budget, the National Housing Accord aims to improve housing affordability by addressing the country's housing supply challenges. It focuses on enabling the delivery of more social and affordable housing, with an initial target to build 1.2 million new well-located homes over 5 years from 1 July 2024.

Changes in Housing Completions

Australians are building houses on smaller blocks with the average site area of new house approvals decreased over the last ten calendar years, by 64 square metres (-13 per cent), whilst the average floor area has remained stable.[5] Land availability and supply constraints will continue to impact block sizes which presents a unique challenge when contrasting Defence policy which maintains minimum yard requirements and outdoor entertaining area requirements.

FIGURE 8: New private dwelling completions, by type



Implications for DHA

High property prices and low supply continue to present a risk to DHA's ability to provision. In addition, the changes in housing styles completed have reduced the number of properties that DHA is able to utilise for provisioning due to the minimum property requirements for Housing to be classed as suitable within Defence Policy.

Current market conditions mean that the supply of dwellings is expected to remain constrained in the short to medium term. Availability of dwellings in key regions will continue to be constrained and as such, costs of acquiring and leasing properties are expected to continue escalating for DHA. DHA intends to strategically plan to ensure a steady supply of housing to meet the needs of Defence members, undertaken in a cost-efficient manner to safeguard DHA's ability to deliver its core purpose.

5 https://www.abs.gov.au/articles/new-houses-being-built-smaller-blocks#data-downloads

Strategic Driver 4:

DHA intends to keep pace with technological change

STRATEGIC IMPACT

Defence members expect a seamless and digitally enabled experience when interacting with DHA.

STRATEGIC OPPORTUNITY

DHA can fundamentally simplify its business processes and use technology to automate both externally facing and internal activities. Addressing the opportunity would improve the experience of ADF members and their families when they engage with DHA, and drive efficiencies in DHA's internal operations.

Technological advancements continue to shape the expectations of members, industry partners and our workforce in the services we provide. This is equally balanced by an evolving cyber security threat landscape which continues to demand advanced expertise and appropriate resource prioritisation.

Technology Enabling Digital Customer Interactions

The Australian Government's 2030 Data and Digital Strategy seeks to deliver simple, secure, and connected public services, for all people and business, through best practice data and digital capabilities. As an organisation working across the ADF, investors and contractors 24/7, it is critical that DHA meet current and future digital delivery expectations in support of Defence capability.

In addition, customer expectations for a modern self-service approach is driving innovation in DHA customer service. The opportunity exists for DHA to utilise emerging technologies such as Artificial Intelligence to anticipate customer needs and deliver enhanced digital experiences.

With the change in ADF demographics, it is critical that services are aligned to expectations of users. Through various reviews and feedback, Defence and DHA are cognisant of the need to ensure that the housing entitlement assistance DHA provides is a seamless, intuitive experience for members. Having streamlined digitised and transformed member services available to ADF members, minimises time spent on these administrative processes, maximising time available for pursuit of professional and personal roles.

DHA's Technology Refresh program is well-progressed in delivering the core technology to support and enable a digital solution which is contemporary, transparent, and able to be adapted to the changing needs of the ADF. DHA will replace aged business applications with modern cloud solutions and simplify a legacy of overly complex system integration. The Technology Refresh program will deliver the foundation required for the continuous improvement of DHA's technology, so it remains fit-for-purpose, operationally efficient and enables services that satisfy Defence members and investors.

Cyber Security

The Australian Signals Directorate Cyber Threat Report 2022–23 highlighted malicious cyber activity, which continues to pose a risk to Australia's security. Malicious cyber actors demonstrated the intent and capability needed to compromise vital systems, and Australian networks were regularly targeted by both opportunistic and more deliberate malicious cyber activity. The report also identified the sustained increase in threats being reported or realised within Australia, noting Government entities were amongst the highest reporting classification.

DHA's Cyber Security program seeks to maintain a cyber resilient DHA in the context of the threat and risk landscape. Whilst considerable progress has been made, DHA will continue to invest in our cyber security capability to ensure it remains effective and supports secure digitally enabled interactions with customers, industry, and our people.

Strategic Driver 5:

DHA intends to respond to societal and community expectations on ESG

STRATEGIC IMPACT

As a Commonwealth Entity with a significant national footprint – DHA will respond to increased societal and community expectations around ESG.

STRATEGIC OPPORTUNITY

DHA can serve as a leader in adopting ESG practices and governance. The potential benefits from this opportunity include an enhanced reputation among members, local communities and investors, in addition to potential cost savings for the portfolio.

DHA acknowledges the growing recognition of the importance of environmental, social, and governance (ESG) considerations in shaping sustainable and responsible business practices. DHA demonstrates this importance in a wide range of activities such as the values DHA places on its workforce through competitive compensation and favourable working conditions. DHA is developing a purposeful and sustainable culture that values diversity and inclusion to enable an inclusive and high-performance workforce supporting positive employee experiences and engagement. This culture is enabled through appropriate workforce planning and implementation of a culture and wellbeing strategy.

Sustainable growth is entwined with the wellbeing of the Defence communities we serve and the broader Australian society. DHA is taking significant steps to deepen our social impact approach and to integrate social considerations into our operational model. DHA values the opportunity to foster social unity within the Defence community and is investigating ways to reduce DHA's environmental footprint.

The Australian Government is progressively introducing policies to mandate better practices and reporting for climate change impacts and prevention, such as APS Net Zero Emission targets for 2030, emissions disclosures and obligations within the Commonwealth Procurement Rules. The Defence Strategic Review[6] devoted a chapter to the climate threat and identified climate change as a national security issue. DHA is incorporating these considerations into its operating model to ensure that the impacts of climate change, such as more intense cyclones more often, on the viability of DHA provisioned housing are mitigated.

ESG also extends to other areas, such as workforce safety, diversity, and accountable supply chains. These imperatives are driven by both societal expectations, in addition to specific legislation (e.g. the *Modern Slavery Act 2018*). Consideration of these issues beyond legislative minimums is important as evidence suggests that potential employees are increasingly assessing employers based on an "alignment of values", of which these broader ESG factors are prominent.

ESG also presents an opportunity for DHA to improve the efficiency of its operations. Using its significant scale and through selected provisioning, DHA can increase the use of low cost and renewable solar power, improve the average energy efficiency of the portfolio and minimise water waste. This activity will provide a greater number of housing options with sustainable features to Defence members.

6 Department of Defence, 2023. Australian National Defence: Defence Strategic Review Paper, Canberra.

Strategic Driver 6:

DHA intends to address its funding model constraints

STRATEGIC IMPACT

DHA intends to address the current and projected further erosion of its capital base, or it will be unable to perform its core purpose to Defence and the National Defence Strategy.

STRATEGIC OPPORTUNITY

Through agreement with shareholders – DHA seeks to adopt a fit-for-purpose funding model which will allow it to effectively perform its core purpose sustainably.

DHA does not receive funding direct from Government. Our operations are principally funded through rents, fees, and charges, and other revenue related to maintaining our housing portfolio, including the disposal of excess land and finished product from our developments.

An appropriate and sustainable funding framework and affordable capital are critical to the ongoing provision of housing, and in supporting growing housing demand of Defence.

DHA continues to prioritise low-capital provisioning means to extend the life of its capital base, as a means to support the housing requirements of Defence, until a sustainable funding model is implemented. Should a model not be implemented within theStatement of Corporate Intent period, DHA will not maintain sufficient capital to maintain and grow its portfolio of housing.

Over the past 20 years, DHA's funding model has not enabled it to maintain a sustainable funding framework or grow a capital base that would enable it to meet the needs of the National Defence Strategy without significant private sector support. This challenge is further amplified by the tight rental markets, borrowing costs and sustained growth in underlying housing values.

To date, DHA has implemented a range of strategies to extend the life of available capital, including:

- Maximise direct leasing capability to meet short-term housing demand, noting long term rental supply volatility.
- Maximise lease terms, noting property age and maintenance liabilities increase.
- Establish bulk-leasing capability with industry to reduce reliance on housing acquisitions.
- Seek to make development activity cash-neutral whilst maximising the retention of housing for provisioning purposes.

Our Strategy

DHA's strategy comprises two Levels.

In Level 1, DHA describes how it will respond to the strategic drivers within its operating context. The "*Strategic Objectives and Initiatives*" in this section articulate management's focus areas over the Statement of Corporate Intent period. Under each strategic objective within this section, reference tables detail the contribution of each objective to Level 2 Corporate performance measures.

In Level 2, the "*Corporate Level*" outcomes and measures which capture DHA's effectiveness in meeting its purpose are specified. These measures are developed, measured and maintained in a manner which meets the requirements of the Services Agreement, 2024–25 Portfolio Budget Statements for the Defence Portfolio and *Commonwealth Government Business Enterprise – Governance and Oversight Guidelines: Resource Management Guide No. 126* (RMG 126). While critical, these outcomes represent the complex contribution and interactions of numerous DHA business units to achieve an overarching corporate outcome.

Level 1:
Strategic Objectives

A response to our rapidly changing strategic environment and capitalising on the identified strategic opportunities requires a robust strategy. DHA has built its strategy around **four** objectives to fulfil the **strategic drivers**. The **strategic objectives** are further broken down into **supporting initiatives** in *Appendix A – Strategic Objectives*.

The DHA Strategic Objectives for 2024–25 contribute to DHA performance measures in the following ways.

Strategic Objective 1: Aligned housing solutions delivered through a modern, customer-centric operating model

Corporate Performance measure	Contribution to measure
1a. Provisioning of housing solutions to the Approved Provisioning Schedule	●
1b. ADF member satisfaction with housing solutions	●
2a. DHA is a trusted advisor	●
3a. ADF member customer service satisfaction	●
4a. Return on equity	●
4b. Maintain validity against International Organisation for Standardisation Quality Management (ISO9001)	
4c. Staff engagement	

Strategic Objective 2: Build an agile and scalable housing capability

Corporate performance measures	Contribution to measure
1a. Provisioning of housing solutions to the Approved Provisioning Schedule	●
1b. ADF member satisfaction with housing solutions	
2a. DHA is a trusted advisor	●
3a. ADF member customer service satisfaction	
4a. Return on equity	●
4b. Maintain validity against International Organisation for Standardisation Quality Management (ISO9001)	
4c. Staff engagement	

Strategic Objective 3: Commitment to environmental, social, and governance (ESG) excellence

Corporate performance measures	Contribution to measure
1a. Provisioning of housing solutions to the Approved Provisioning Schedule	
1b. ADF member satisfaction with housing solutions	●
2a. DHA is a trusted advisor	●
3a. ADF member customer service satisfaction	
4a. Return on equity	●
4b. Maintain validity against International Organisation for Standardisation Quality Management (ISO9001)	
4c. Staff engagement	●

Strategic Objective 4: Fiscal responsibility and long-term financial stability

Corporate performance measures	Contribution to measure
1a. Provisioning of housing solutions to the Approved Provisioning Schedule	●
1b. ADF member satisfaction with housing solutions	
2a. DHA is a trusted advisor	●
3a. ADF member customer service satisfaction	
4a. Return on equity	●
4b. Maintain validity against International Organisation for Standardisation Quality Management (ISO9001)	
4c. Staff engagement	

Strategic Objective 1: Aligned housing solutions delivered through a modern, customer-centric operating model

Implement a range of contemporary housing solutions to support future Defence requirements and policy objectives.

This is a foundational objective of DHA to ensure it can continue to meet the needs of the Australian Defence Force and the operational requirements of Defence. To meet this objective, DHA will partner with Defence to support the outcomes of strategic reviews such as the Defence Strategic Review,[7] Defence Housing Support Review and the Defence Estate Review. These reviews will influence the housing solutions that DHA develops.

To formalise future housing needs with Defence a revision to the Services Agreement is being considered. Coinciding with consideration of a review of Defence Housing Policy in line with the National Defence Strategy to ensure alignment. The current Services Agreement is specific in defining the housing and housing related services delivered by DHA to Defence. This limits DHA's ability to flexibly respond to increasing housing supply constraints and changing preferences from members regarding housing types. A greater reliance on rent band choice properties (in place of Service residences) in provisioning provides a means of addressing these requirements – however the approach transfers significant vacancy risk to DHA.

Other aspects relevant to the Services Agreement will require review, specifically in relation to DHA being requested to house civilian contractors in response to the Defence Strategic Review.[7] A Services Agreement focused on understanding the current needs of Defence members and maintaining flexible adaptative housing and housing services to cater to those needs is required to effectively deliver on our purpose.

Contemporise our operating model and leverage technology to deliver future housing needs

DHA will contemporise its operating model to deliver future needs placing the member experience at its core. We will ensure our service delivery models are aligned to industry best practice and simplify our business processes in the context of the customer experience. Then we will leverage our technology investments to deliver our services through seamless digital experiences. Technology will support this objective in two areas:

1. Internal capability to meet Defence requirements – DHA is investing in upgrading its technology environment to improve the capture, analytics capability and sharing of data across corporate systems. This will allow DHA staff to operate off more accurate and holistic datasets – directly leading to improved provisioning, maintenance and customer service outcomes for ADF members.
2. Member-facing technology – DHA is translating the internal investments into a streamlined member experience. A focus on self-service and addressing multiple "touch-points" within one interaction. DHA staff will reduce inefficiencies experienced by members and their families in interactions with DHA to ensure DHA is delivering its purpose effectively.

7 Department of Defence, 2023. Australian National Defence: Defence Strategic Review Paper, Canberra.

A major focus for this Statement of Corporate Intent is to ensure our member experience is seamless, transparent and intelligent. This extends to the traditional customer service themes of recognising and quickly responding to complaints as they arise. DHA may also explore mechanisms for engaging with members to provide useful related services (not directly delivered by DHA).

In implementing these reforms and improving all member interactions with us, DHA seeks to realise Defence's intent of housing and housing services being a core component of the ADF member attraction and retention strategy.

Expand our strategic engagement with stakeholders

DHA's success will require deep engagement with government and Defence. Regular formalised engagement and communication channels will be established (or continued) to align with Defence's rapidly changing requirements, and to open opportunities for the implementation of solutions to meet these needs with DHA. This strategy is focused on building and adding structure to DHA's engagement with key stakeholders, with a particular focus on working with Defence through its review of housing and housing services over an ADF member's entire career. Effective engagement with Defence and Finance Shareholder units will enable continual progress on this strategy with Shareholder Departments.

DHA will also build on existing relationships and develop new relationships with state and territory governments and with a range of industry partners.

Strategies to achieve our purpose	Critical success factors	Indicative timeframe	Outcomes
Agree and formalise future housing needs with Defence			
Determine and agree contemporary and future housing needs with Defence.	Reach an agreement with Defence.	Q4 2024–25	DHA has flexibility in its arrangements with Defence to sustainably deliver contemporary services in a region-specific approach that provides flexibility of choice to members. This approach is supported by consistent pricing models and has regard to full visibility of total Defence demand.
Redesign service agreements to offer greater versatility and adaptability in support, while responding to changing Defence requirements.	Establish a new service agreement.	Q4 2024–25	
	Embed DHA Enterprise Cost Allocation Model opportunities into strategic provisioning process.	Q2 2024–25	
Reorient our operating model and leverage technology to deliver future housing needs			
Embed the agreed future housing approach within our operating model supported by technology platforms.	Commence implementation.	Q3 2025–26	DHA has full member self-service enabled by contemporary technology delivering a consistent, positive experience across all housing interactions with DHA.
	Organisational structure, people, processes, policies, with technology aligned to support delivery of the new approach.	Q2 2026–27	
Simplify service delivery and leverage technology solutions.	Identify priority internal processes and policies.	Q2 2025–26	
	Commence transition to new processes.	Q4 2025–26	
	Achieve ICT release targets that enable enhanced technology capability for Service Delivery.	According to the existing program schedules	
Expand our strategic engagement with stakeholders			
Proactively engage with government and Defence to align strategies and optimise performance on critical policy issues.	Establish forums to engage with government and Defence on housing service requirements and policy issues (e.g. seeking agreement on the funding model).	Q2 2024–25	DHA can provide Defence with certainty in housing supply and consistency of housing services that are aligned with policy objectives and can be provided across the entire Defence housing ecosystem. This capability is supported by strong relationships with industry and the wider government. It is supported by strategic planning for known and planned ADF movements.
Develop and implement a structured communications and engagement approach with government and Defence.	Develop strategic communications and tactical engagement plans.	Q2 2024–25	
	Track and record informal engagement with Defence.	Q1 2024–25	
Agree and implement DHA's future service offer across the ADF's "whole-of-service" lifecycle for members and veterans.	Define and agree future service offer.	Q2 2025–26	
	Commence delivery of an expanded service offer.	Q3 2025–26	
	Embed future service offer within DHA's operating model.	Q3 2025–26	

Strategic Objective 2: Build an agile and scalable housing capability

The significant overall growth in the portfolio and need for rapid scaling in specific areas is described above. To respond to the challenge, DHA will create capability that can deliver housing and housing related services with flexibility and with the ability to scale on a regional level in relatively short time frames.

DHA is partnering with industry to achieve this objective. DHA is currently engaging with a range of industry partners, varying in size and type. DHA established a Strategic Provisioning function within its structure. This function is currently leading the engagement and evaluation of potential future sourcing options to deliver a minimum of 2,000 newly constructed leased properties through the Build to Lease Program and the New Build Volume Leasing Program. As the understanding of requirements matures, the function will be further integrated (via process and technology) into DHA's broader provisioning, asset management and reactive maintenance activities.

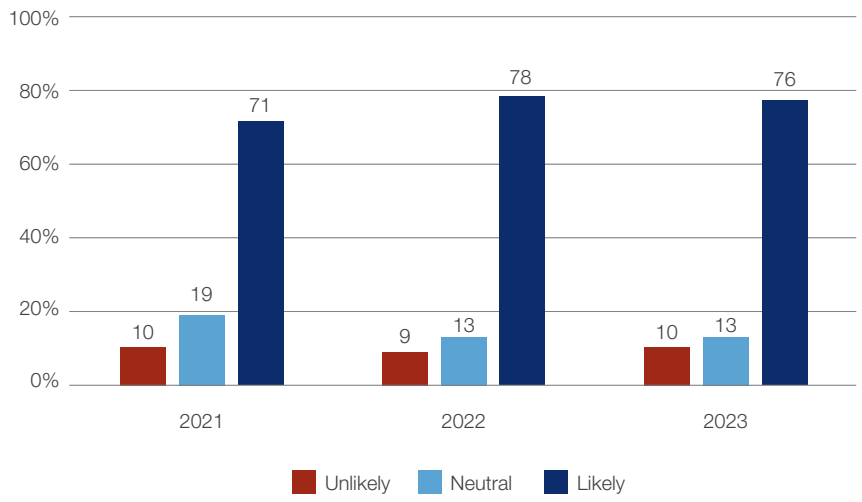
In addressing urgent provisioning requirements in specific areas (e.g. Rockingham, Townsville and other others), DHA released an Expression of Interest for industry providers to partner with DHA to deliver residences rapidly.

Strategies to achieve our purpose	Critical Success Factors	Indicative timeframe	Outcomes
Future ready scalability in housing solutions			
Expand sourcing channels and adopt an alternative product model in collaboration with industry to meet short-and long-term housing demand.	Identify new sourcing channels and product model.	Q2 2024–25	DHA provides sustainable housing delivered as required and on demand, aligned with strategic requirements, capable of meeting current and future strategic Defence needs, including the ability to rapidly scale on a regional level to meet the full extent of demand. DHA has certainty and flexibility in its access to housing, supported by new bulk housing supply channels supported by strong relationships with a range of industry partners.
	Identify technology requirements and develop implementation plans that support system changes and reporting.	Q4 2024–25	
	Embed new sourcing channels and product model within BAU.	Q4 202425	
Establish the capability to rapidly deliver housing solutions in strategic locations like Northern Australia, leveraging pre-established partnerships and plans.	Establish financial structures and update delegations.	Q2 2024–25	
	Establish capability (governance, roles, processes, systems) to deliver rapid solutions.	Q2 2024–25	
	Identify technology requirements and develop implementation plans that support system changes and reporting.	Q4 2024–25	

In addition to growing the portfolio, DHA will address the challenges to stability that it will face due to 70 per cent of leases set to expire over the next three years. Of these leases, results from the DHA Annual Landlord Survey in 2023 indicates that over 70 per cent of landlords are considering renewing. Figure 9 shows an increase in this intention over the past two years; however, this data is only indicative of how many landlords are considering renewing their lease with DHA and does not represent the actual rate of lease renewals.

To probe further into the barriers of renewing their lease, respondents who answered "unlikely" to renew their lease were asked to explain their reasons. Landlords considering selling their property were identified as the biggest reason (37 per cent), followed by poor experiences dealing with DHA (19 per cent), and finally that rents are not competitive (14 per cent). Those who picked "other" were given an opportunity to manually type their answers, of these, not renewing due to age/ retirement was cited as the most common reason (19 per cent), followed by respondents indicating that it was DHA's choice not to renew (12 per cent), and finally that DHA management fees were too high (12 per cent).

FIGURE 9: Landlord likelihood to renew lease with DHA



Note: The survey question regarding likelihood to renew a DHA lease was changed in 2022. 2022 and 2023 responses were dichotomised to allow comparison with data from 2021. Responses that were 'Very likely' and 'Likely' were grouped into the 'Likely' category, 'Moderately likely' and 'Moderately unlikely' were grouped into the 'Neutral' category, and 'Very unlikely' and 'Unlikely' were grouped into the 'Unlikely' category. To allow for comparison to the 2022 and 2023 surveys, the 2021 answers were recategorized as follows: 'Yes' responses were moved to the 'Likely' category, 'Maybe/Unsure' were moved to the 'Neutral' category, and 'No' responses to the 'Unlikely' category'.

70%

of landlords
are considering
lease renewal

Strategic Objective 3: Commitment to environmental, social, and governance (ESG) excellence

In response to increased societal and community expectations around ESG stewardship, DHA has committed to an uplift in its ESG practices across the national portfolio and all internal operations. This objective will have a specific focus on socially and environmentally responsible operations, guided by effective governance, and to ensure these considerations are embedded in all DHA's operations.

While an initial step of baselining DHA's current state and establishing appropriate objectives, targeted governance arrangements are required – the following areas are being actively pursued:

- Promote environmental considerations in housing arrangements,
- Assessing renewable energy options across the Defence Housing environment,
- Develop housing solutions and services that contribute to the growth of community (e.g. via schools) for Defence members housed by DHA,
- Establish mechanisms for monitoring supply chain risks around corruption and modern slavery,
- Continued investment in workplace safety,
- Implementation of the Culture and Wellbeing Strategy, incorporating Diversity and Inclusion,
- Conducting its activities in cultural and socially responsible ways, and
- Enhanced management of Modern Slavery considerations to improve certainty of ethical procurement.

Supporting DHA's workforce is a key component of ESG. DHA employees appreciate the competitive compensation and favourable working conditions which represent a strong value proposition.

Strategies to achieve our purpose	Critical Success Factors	Indicative timeframe	Outcomes
Commitment to environmental, social, and governance (ESG) excellence			
Develop and implement a milestone driven ESG plan encompassing all DHA services and internal activities.	Develop ESG development targets.	Q3 2024–25	DHA has an operational ESG policy and approach that enables environmental responsibility, sustainability and provides opportunities in our decision making. This is embedded in the way DHA operates. DHA has a defined plan for how we will integrate ESG into housing designs, objectives, and operations.
	Establish capability to manage delivery and report on targets.	Q4 2024–25	

Strategic Objective 4: Fiscal responsibility and long-term financial stability

The financial challenges facing DHA were described within "Strategic Driver 6: DHA intends to address its funding model constraints". DHA's objectives when managing capital are to safeguard the ability to deliver upon its core purpose while maximising the return to its shareholder departments. The importance of a financially sustainable funding model that ensures DHA can continue to meet the needs of Defence cannot be overstated.

DHA seeks to maintain an appropriate balance between the advantages and flexibility afforded by a strong capital position, utilising its current debt facility with Department of Finance and meeting the costs associated with privately sourced and administered housing. DHA achieves this by prioritising low-capital provisioning means to extend the life of its capital base as a means to support the housing requirements of Defence until a sustainable funding model is implemented. This approach increases the exposure of DHA's portfolio to market risk.

Maintaining a sustainable capital base that enables DHA to meet the current and future housing capability requirements of Defence is an imminent risk over the Statement of Corporate Intent period. While any changes to the funding model are the responsibility of DHA's Shareholders, the key elements of a future model currently being considered are as follows:

- A long-term solution to dividend dispensation – which results in an annual cash outflow and prevents DHA from accumulating reserves to fund ongoing housing acquisition and developments.
- Amendments to the DSA (mentioned under Strategic Driver 1) – to ensure that maintenance and property management of both DHA owned and leased properties are cost neutral.

As a self-funded GBE, DHA remains focused on strengthening its business so it can continue delivering housing capability to Defence, and adapting to meet the challenges it faces. DHA will improve its cost efficiency in performing its key activities. This will reduce (but not alleviate) the financial pressures which exist under the current funding model. One area that has allowed improved cost efficiency is increasing the use of leasing arrangements to fulfil provisioning needs. This is not without risk and increases the exposure of DHA's portfolio and its wider operations to market volatility.

The implementation of a Strategic Asset Management (SAM) function will reduce the "lifecycle cost" of bringing properties into the portfolio, maintaining them to requirements and disposal. This is achieved through data-driven analysis of the portfolio condition, preventative maintenance requirements, and then conducting this maintenance through large strategic agreements with suppliers to reduce per-unit / fixture costs.

The Strategic Provisioning described under Strategic Objective 2 – will also contribute to a reduced cost of provisioning through bulk procurement. This will also reduce DHA's internal overhead through managing fewer landlords.

Strategies to achieve our purpose	Critical Success Factors	Indicative timeframe	Outcomes
Fiscal responsibility and long-term financial stability			
Agree and implement a new capital funding model which allows DHA to operate in a financially sustainable manner.	Implementation of new funding model. *Shareholder-led based on Next Steps from DHA Funding Model Review (2023).*	Q1 2026–27	DHA's funding model is sustainable and flexible in meeting the capability requirements of Defence. DHA has fully implemented and operationalised Strategic Asset Management function delivering cost efficiencies across the housing portfolio.
Embed a Strategic Asset Management (SAM) framework to lower the lifecycle cost of the portfolio.	Achieve portfolio maintenance cost reduction targets over the forward years via SAM.	From Q1 2024–25	

Level 2: Corporate

Level Outcomes, Performance & Measures

In line with requirements outlined in *Commonwealth Government Business Enterprises – Governance and Oversight Guidelines Resource Management Guide No. 126* (RMG 126), DHA must measure and report on to its shareholder Departments, the Department of Finance and the Department of Defence. The performance measures and targets for each key activity are detailed below.

GBE Performance Measures

In accordance with section 5 of the PGPA Rule, DHA is one of nine Government Business Enterprises (GBEs). As a GBE, we are expected to comply with Commonwealth Government Business Enterprises–Governance and Oversight Guidelines Resource Management Guide No. 126.

RMG 126 provides guidance in relation to board and corporate governance, planning and reporting, financial governance and other governance matters.

TABLE 3: DHA Corporate Performance Measures

Performance measure	Performance target
1a. Provisioning of housing solutions to the Approved Provisioning Schedule (APS)	≥99 per cent of APS
1b. ADF member satisfaction with housing solutions	≥80 per cent
2a. DHA is a trusted advisor	Achieved
3a. ADF member customer service satisfaction	≥85 per cent
4a. Return on equity	3 per cent
4b Maintain validity against International Organisation for Standardisation Quality Management (ISO9001)	Compliant
4c. Employee engagement index	≥70 per cent

Stakeholder Engagement and Risk Management

DHA actively engages with key government stakeholders, including DHA's Advisory Committee, to ensure the alignment of its operations with national Defence and financial objectives, thereby enhancing service delivery to Defence members and their families. This engagement strategy involves collaborative efforts with the Departments of Defence and Finance and structured engagement with DHA's stakeholder Ministers. DHA actively seeks stakeholder advice and information on the performance of DHA's functions. Stakeholders provide valuable insights and recommendations on strategic decisions and performance improvement initiatives.

DHA partners with the Australian Defence Force and Department of Defence to provide housing and housing services to support the future needs of the ADF and requirements of the Department.

DHA engages with Defence members including ADF personnel, Defence contractors and their families to ensure that the housing and housing services provided by DHA meet the needs of Defence members within the framework of Defence policy.

DHA also advocates for Defence members based on responses to DHA surveys and customer services engagements that provide insights into the changing preference of Defence members.

Role of Shareholder Departments

DHA acknowledges the important advisory and liaison roles played by Shareholder Departments, including to advise Shareholders and to facilitate effective and efficient communication between DHA and Shareholders.

Without limiting or inhibiting the ability of DHA to communicate directly with its Shareholders were considered necessary or appropriate, DHA acknowledges that communication with its Shareholders will typically be coordinated via representatives from Shareholder Departments in the first instance.

To successfully deliver its purpose and objectives over thisStatement of Corporate Intent period, DHA will rely on the Shareholder units embedded within its Shareholder Departments. Shareholder units are enablers in driving progress on DHA's strategic objectives with Shareholder Departments.

DHA also engages with Shareholders and Shareholder departments through a range of informal communication channels and forums, including but not limited to:

- *capital funding* – discussion on DHA's capital funding model
- *provisioning* – submission and negotiation of the provisioning schedule
- *corporate planning* – submission of DHA's draft annual Corporate Plan for early consideration by Shareholder departments and subsequent review by Shareholders prior to finalisation
- *corporate reporting* – submission of quarterly progress reports and the annual report to Shareholder departments at specified times throughout each year
- *strategic updates* – discussion regarding DHA's performance and engagement on the development of strategy
- *quarterly meetings* – discussion at quarterly meetings between representatives of DHA and Shareholder departments
- *vacancies & appointments* – the provision of timely information to Shareholders regarding Board vacancies, recommendations, and appointments
- *regular teleconferences* – regular teleconferences between representatives of DHA and Shareholder Departments
- *updates* – updates on anticipated issues, events and government relations activity that DHA provides to Shareholders' Offices and Shareholder departments
- *proactive briefings* – the provision of proactive briefings to Shareholders' Offices and Shareholder departments on issues that DHA expects may impact or be of significant interest to Shareholders
- *responsive briefings* – the provision of responsive briefings to requests for information from Shareholders (and/or their Offices) or Shareholder departments on issues arising
- *ad hoc & informal queries* – responding to ad hoc and informal queries from Shareholders (and/or their Offices) or Shareholder departments on a day-to-day basis.

Governance Framework

DHA maintains a comprehensive system of corporate governance practices designed to provide appropriate levels of governance, disclosure and accountability.

These practices derive principally from the provisions of the *Defence Housing Australia Act 1987* (DHA Act), and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and guidance in the *Commonwealth Government Business Enterprises – Governance and Oversight Guidelines* (GBE Guidelines).

Channels and Forums

The following table outlines the formal channels DHA uses to engage with our Shareholders and Shareholder departments.

TABLE 4: Shareholder engagement

Meeting	Frequency	Non-DHA attendees
DHA Advisory Committee	Quarterly	Deputy Chief of Navy Deputy Chief of Army Deputy Chief of Air Force National Convenor, Defence Families of Australia
Annual Strategic Meeting	Annually	Minister delegated by the Minister of Defence Minister for Finance Secretary for Defence Secretary for Finance Chief of the Defence Force.
Domiciliary Operations Committee	Monthly	Executive Director, Relocations and Housing Assistant Director, Relocations and Housing LIA & MCA Assistant Director, Relocations and Housing Services Agreement Assistant Director, Relocations and Housing DRHM
Property Control Group	Quarterly	Executive Director, Relocations and Housing Director, Housing Assistant Director, Strategic Planning Forecast Officer Planning and Development Officer
Development Projects and Upgrades	Monthly	Executive Director, Relocations and Housing Director, Housing Assistant Director, Strategic Planning Forecast Officer Planning and Development Officer

Risk Management

As DHA embarks on this Statement of Corporate Intent approach we continue to apply best practice risk management strategies. Risk management is an integral element of governance at DHA. It is embedded into our everyday business, whether staff work to deliver services directly to ADF members and their families or in an enabling capacity. It forms an essential part of our planning prioritisation and decision making.

DHA staff work collaboratively to identify, assess, and manage risks, including those risks directly within their area of control, broader strategic risks, and risks we share with our external stakeholders.

Risk management is also an essential element of our continuous improvement journey and will support us to deliver our purpose to provide adequate and suitable housing and housing related services to ADF members.

Our strategic risks

DHA's strategic risks are externally driven uncertainties that impact on our long-term strategic direction and objectives, and ability to achieve Key Activities. There are five strategic risks which are updated and monitored on a regular basis by the Leadership Team and overseen by the Board Audit and Risk Committee (BARC). Preventative, detective, and corrective controls have been identified for each strategic risk. These controls have been assessed with a control effectiveness rating assigned, enabling us to understand the control environment.

Strategic risks are subject to periodic deep dives. In addition, DHA conducts environmental scans to identify and assess external and emerging sources of threats and opportunities. Table 5 provides a summary of our strategic risks.

The proposed strategic initiatives are designed to mitigate the strategic risks outlined below. The implementation of the initiatives over the Statement of Corporate Intent period are designed to bring these risks back within tolerance.

Following the review and update of DHA's Risk Management Policy in December 2023, a new category of 'enterprise risks' has been introduced. Enterprise risks are internally and externally driven uncertainties that affect the whole of DHA's service and support operations. For example, enabling and governance related aspects such as people and systems, resource management, information management and staff safety.

DHA is continuing to develop enterprise risk assessments and to support ongoing review and consideration of both strategic and enterprise risks, DHA has developed a Standard Operating Procedure to facilitate BARC and Board oversight and ensure that risk-based considerations influence planning, internal audits, and broader decision-making.

Climate risk management strategies

In 2024–25, DHA will commence implementation of reporting on climate risk management activities across the organisation adhering to the Commonwealth Climate Disclosure Requirements to achieve transparency as a GBE. As part of these requirements DHA will embed climate considerations into enterprise risk management strategies.

TABLE 5: DHA strategic risk

#	Risk	Description	Initiative to manage this risk	Within Tolerance
1	**Provisioning**	DHA is unable to provide suitable housing for ADF members.	Agree and formalise future housing needs with Defence. Reorient our operating model and leverage technology to deliver future housing needs. Expand our strategic engagement with stakeholders. Agree and implement a new capital funding model which allows DHA to operate in a financially sustainable manner.	No
2	**Financial sustainability**	DHA is unable to maintain a capital base that would enable it to meet the ongoing provisioned housing needs of Defence.	Agree and implement a new capital funding model which allows DHA to operate in a financially sustainable manner. Embed a Strategic Asset Management (SAM) Framework to lower the lifecycle cost of the portfolio.	No
3	**Adaptability**	DHA is unable to keep pace with the changing external environment or changed Defence or government requirements.	Expand sourcing channels and adopt an alternative product model in collaboration with industry to meet short and long term housing demand. Establish the capability to rapidly deliver housing solutions in strategic locations like Northern Australia, leveraging pre-established partnerships and plans.	Yes
4	**People**	DHA does not attract, develop, and retain the right people/ capability.	Develop and implement a milestone driven ESG plan encompassing all DHA services and internal activities.	Yes
5	**Compliance**	DHA does not comply with legislative and regulatory requirements.	Implement and embed the DHA Compliance Management Framework. This includes central coordination of assurance on DHA compliance obligations, monitoring and reporting, training, and non-compliance incident management.	Yes

Appendix A

Strategic Objectives

This following table demonstrates the link between the Strategic Objectives and the drivers behind them.

TABLE 6: Alignment between Strategic Drivers and Objectives

Strategic objective	
	Aligned housing solutions delivered through a simplified, customer-centric operating model This is a foundational objective of DHA to ensure it can continue to meet the evolving needs of Defence
	Build an agile and scalable housing capability DHA will create capability that can deliver housing and housing related services with flexibility and with the ability to scale on a regional level in relatively short time frames
	Commitment to environmental, social, and governance (ESG) excellence A focus on socially and environmentally responsible operations, guided by effective governance, and embedded in all DHA operations
	Fiscal responsibility and long-term financial stability Financial stability is key to enabling DHA to support Defence's operational requirements. DHA's historical financial arrangements are proving to be unsustainable in the long term under current market conditions to meet growing needs in Defence housing

	Strategic Drivers					
	Defence's needs are changing at a rapid rate	Defence members and their families' preferences are changing	Housing markets constantly evolve	DHA intends to keep pace with technological change	DHA intends to respond to societal and community expectations on ESG	DHA intends to address its funding model constraints
	●	●	●	●		●
	●		●	●		●
					●	
	●	●	●	●	●	●

Objectives

To deliver on our purpose DHA has identified the following strategic objectives:

1.

Aligned housing solutions delivered through a simplified, customer-centric, operating model

STRATEGIC INITIATIVES

A. Agree and formalise future housing needs with Defence

Agree contemporary and future housing needs with Defence.

Redesign service agreements to offer greater versatility and adaptability in support, while responding to changing Defence requirements.

B. Reorient our operating model and leverage technology to deliver future housing needs

Embed the agreed future housing approach within our operating model and technology platforms.

Simplify service delivery and leverage technology solutions.

C. Expand our strategic engagement with stakeholders

Proactively engage with government and Defence to align strategies and optimise performance on critical policy issues.

Develop and implement a structured communications in support of the engagement approach with government and Defence.

Agree and implement DHA's future service offer across the ADF's "whole-of-service" lifecycle for members and veterans.

*(staggered over the Statement of Corporate Intent period)

2.

Build an agile and scalable housing capability

Future ready scalability in housing solutions

Expand sourcing channels and adopt an alternative product model in collaboration with industry to meet short and long term housing demand.

Establish the capability to rapidly deliver housing solutions in strategic locations like Northern Australia, leveraging pre-established partnerships and plans.

3.

Commitment to environmental, social, and governance (ESG) excellence

Develop and implement a milestone driven ESG plan encompassing all DHA services and internal activities.

4.

Fiscal responsibility and long-term financial stability

Agree and implement a new capital funding model which allows DHA to operate in a financially sustainable manner.

Embed a Strategic Asset Management (SAM) Framework to lower the lifecycle cost of the portfolio.

Appendix B

Property Portfolio and Provisioning

DHA works collaboratively with the Department of Defence to provide housing with a focus on regional requirements underpinned by insights from our customers and prudent financial practices. The DHF is made up of defined regional areas. Each region is managed to supply housing to ADF members and their families with consideration to ADF member needs, housing availability and market conditions within the policy parameters set by the Department of Defence.

The table below provides a snapshot of the housing portfolio by region and ownership (as at end of April 2024).

TABLE 7: Housing portfolio by region and ownership

DHF Region	Service residences and rent band choice properties				Members choice accommodation		Total
	DHA owned	Leased	Defence owned	Annuity	DHA owned	Leased	
North Queensland Region	**113**	**1228**	**5**	**34**	**9**	**115**	**1504**
Cairns	15	164	4	28	9	23	243
Townsville	98	1064	1	6	0	92	1261
South Queensland Region	**553**	**2402**	**18**	**35**	**16**	**266**	**3290**
Brisbane	372	1410	18	4	7	225	2036
Ipswich	165	774	0	1	9	41	990
Gold Coast	6	42	0	30	0	0	78
Toowoomba	10	176	0	0	0	0	186
Sydney Region	**1085**	**1725**	**87**	**3**	**68**	**125**	**3093**
Glenbrook	7	77	1	0	0	0	85
Liverpool	385	346	0	0	0	0	731
Richmond	77	289	21	3	14	12	416
Sydney	616	1013	65	0	54	113	1861
Hunter Region	**129**	**769**	**0**	**6**	**16**	**43**	**963**
Newcastle	115	702	0	3	16	43	879
Northern NSW	9	6	0	1	0	0	16
Singleton	5	61	0	2	0	0	68

DHF Region	Service residences and rent band choice properties				Members choice accommodation		Total
	DHA owned	Leased	Defence owned	Annuity	DHA owned	Leased	
Nowra Region	**43**	**290**	**22**	**12**	**0**	**0**	**367**
Canberra Region	**215**	**1674**	**181**	**0**	**8**	**243**	**2321**
Riverina Region	**60**	**441**	**56**	**24**	**0**	**0**	**581**
Wagga Wagga	35	195	56	23	0	0	309
Wodonga	25	246	0	1	0	0	272
Victoria Region	**300**	**389**	**388**	**64**	**2**	**21**	**1164**
East Sale	2	82	1	50	0	0	135
Frankston	18	98	106	0	0	2	224
Hobart	16	4	5	1	0	0	26
Melbourne	264	205	6	0	2	19	496
Puckapunyal	0	0	270	13	0	0	283
Adelaide	**209**	**721**	**7**	**3**	**23**	**164**	**1127**
West Australia Region	**314**	**445**	**9**	**37**	**17**	**106**	**928**
Broome	0	0	4	5	0	0	9
Exmouth	0	0	4	11	0	0	15
Geraldton	0	0	0	2	0	0	2
Karratha	11	9	0	18	0	0	38
Perth	188	111	0	1	12	30	342
Rockingham	115	325	1	0	5	76	522
Northern Territory Region	**169**	**755**	**348**	**258**	**63**	**108**	**1701**
Darwin	169	755	146	85	63	108	1326
Pine Gap (Alice Springs)	0	0	0	39	0	0	39
Tindal	0	0	202	134	0	0	336
National	**3190**	**10839**	**1121**	**476**	**222**	**1191**	**17039**

*Total numbers fluctuate over time.

Housing solutions

DHA provides the following housing solutions:

- Service residences (SR)—compliant dwellings. These can be DHA owned, Defence owned or leased.
- Rent band choice housing (RBCH)—non compliant Service Residences provided by DHA for members with dependants.
- Member choice accommodation (MCA)—non compliant Service Residences provided by DHA for members without dependants and members with dependants (unaccompanied) who are eligible for rent allowance.
- Rent allowance (RA)—RA is a reimbursement paid by Defence to an ADF member to secure a private rental where DHA is unable to provide a suitable Service residence and they do not own their own home in the posting locality.
- Living in accommodation (LIA)—on-base accommodation.

Where ADF members own their own home in a posting location and it is determined to be suitable, Defence policy requires the member to live in it.

Housing solution eligibility

The type of accommodation a member is eligible for depends on their rank, number, age and gender of dependants, and their posting location.

- Accompanied Resident Families (ARF)
- Unaccompanied Resident Families (URF)

Service residences

Service residences must comply with minimum Defence standards in terms of location and amenity. Depending on the DHF area, Service residences are either classified by market rent (known as rent bands) or by property amenity. In general, Service residences should not be more than 30 kilometres from the base or establishment where the ADF member works.

Service residences comprise a minimum of three bedrooms, separate lounge and dining areas, kitchen, laundry, bathroom, ensuite, single garage (or carport in NT) and a 35 square metre backyard (or a 25 square metre backyard in Sydney).

Rent band choice housing

DHA's portfolio includes a portion of properties categorised as rent band choice housing (RBCH). These properties are inner-city apartments and other properties that do not meet the minimum Defence standards. ADF members and their families typically choose to live in a RBCH property because the location suits their lifestyle.

Townhouse choice properties are a type of RBCH property that will increasingly become available to members in Canberra and Sydney. Townhouse choice properties provide members with a well located, lower maintenance housing option.

ADF members are not obligated to reside in a rent band choice or townhouse choice property.

Member choice accommodation (MCA)

Member Choice Accommodation properties offer eligible ADF members an attractive alternative to renting privately, including a simple move-in move-out process with no bond or rent required in advance. ADF members may also share properties with other eligible ADF members. There are no minimum standards for Member choice accommodation properties.

Rent allowance (RA)

When a suitable Service residence property is not available at the member's rent band classification, with required amenities, or if the home and grounds are not suitable for pets, an ADF member (and their family if applicable) may be approved to rent through the private market. ADF members are responsible for finding the accommodation but must engage with DHA (on behalf of Defence) to seek approval. DHA is then responsible for administering the payment of their Defence funded rent Allowance.

DHA considers two elements of members receiving rent allowance who have an accompanied resident family:

1. Those members receiving Rent Allowance via recognition of an interdependent partnership (referred to as 'de facto RA')—these are nominally members already in receipt of Rent Allowance as a member with no resident family who have had their categorisation changed to member with accompanied resident family and remain in their existing rental accommodation. These are reflected in DHA planning as 'de facto adjusted RA' recipients.
2. Those members with an accompanied resident family receiving rent allowance based on any other Defence housing policy.

Living in accommodation (LIA)

We manage the booking service for Living in accommodation across 52 ADF bases. This includes management of user access permissions, providing advice on benefits and competing requests.

Provisioning programs

New Build Volume Leasing Program

Direct Leasing

DHA is continuing to review and refine provisioning strategies in response to our environment, and remains focused on leasing activities, ahead of retail acquisitions and construction programs.

DHA has a large leasing program that underpins our housing portfolio. With over 12,000 existing leases, the management of lease options, lease extensions and renewal of leases plays an essential role in maintaining a well-located quality portfolio. Our leasing activity will meet a substantial portion of our provisioning additions planned across the Statement of Corporate Intent period.

DHA must establish relationships with a range of industry partners to develop a portfolio of diverse housing solutions and services to service changing Defence member preferences.

With the official closure of the Rockingham Industry Approach EOI, DHA is assessing the range of scalable/bulk-housing models proposed and will continue to coordinate with Defence on both delivery and funding models which are expected to differ from traditional arrangements.

Other provisioning programs support and complement the leasing program. Leasing and Acquisitions continue to seek new innovative ways to manage provisioning requirements and will implement several new approaches to provisioning.

Acquisitions

DHA's portfolio management approach balances retail acquisitions and construction programs, with a focus on leasing activities. This strategy will continue into the 2024–25 financial year, with a strategic approach to acquisitions in areas where leasing is not sufficient to meet provisioning needs. Should we be unable to meet provisioning needs through leasing there may be requirements to increase capital investment in acquisitions.

Developments

The development and construction program will continue to support provisioning over the Statement of Corporate Intent period via the delivery of properties into the portfolio. While the program is reducing, key projects at Nirimba Fields, NSW, Deebing Heights, Queensland, and Angle Park, SA, are expected to continue to support provisioning.

DHA will continue to focus on risk mitigation within the development and construction program to ensure the development program continues to be delivered in accordance with DHA's risk profile and support provisioning requirements.

Upgrades

We project manage upgrades to DHA and Defence owned properties across Australia, including properties located on-base and in regional and remote localities. Properties are upgraded so they remain suitable housing options for ADF members and their families. The upgrades program allows us to retain properties in strategic locations, often near major Defence bases, by extending the life of the property for 15–20 years.

Appendix C

Strategic Delivery Model

The implementation of strategic initiatives is a critical component of the organisation's success. To ensure efficient delivery and maximised benefits, we will establish an Enterprise Program Management Office (EPMO). The key advantages of adopting an EPMO approach for managing and delivering initiatives ensures the following:

- **Alignment to Strategic Direction:** The EPMO will ensure that all initiatives are closely aligned with the strategic objectives of the organisation. This alignment enhances focus, prioritisation, and resource allocation, thereby driving the organisation towards delivering its strategy.
- **Accountability:** By centralising project management functions, the EPMO fosters a culture of accountability. Clear roles, responsibilities, and reporting structures enable efficient decision-making and ensure that project outcomes are consistently delivered on time and within budget. Initiatives will be reviewed monthly by DHA leadership and included in shareholder reporting.
- **Continuity:** The EPMO provides a framework for consistent and standardised project management practices across the organisation. This continuity minimises disruptions caused by changes in organisational priorities, thereby enhancing overall project stability and success.
- **Simplified Oversight**: Through centralised governance and oversight mechanisms, the EPMO streamlines project monitoring and control processes. This simplification allows stakeholders to have a clear view of project status, progress, and potential risks, enabling timely interventions and course corrections as needed.
- **Risk Mitigation:** The EPMO employs robust risk management practices to identify, assess, and mitigate potential threats to project success. By proactively addressing risks, the organization can minimize negative impacts and increase the likelihood of achieving project objectives.
- **Project Benefits:** A key function of the EPMO is to establish metrics for evaluating project performance and measuring the realisation of benefits. This focus on outcomes ensures that investments yield tangible results and contribute to overall organisational value.
- **Resources:** Dedicated resources to deliver the initiatives ensuring business areas focus on the delivery of core services to our customers.

Appendix D

List of Requirements

This Statement of Corporate Intent has been prepared in accordance with the requirements of:

- subsection 35(1) of the PGPA Act; and
- the PGPA Rule 2014.

The following table details the requirements met by DHA's Statement of Corporate Intent 2024–25 and the page reference(s) for each requirement.

TABLE 8: Statement of Corporate Intent requirements

Requirement	Page(s)
Purpose	Inside front cover
Introduction • statement of preparation • the reporting period for which the Plan is prepared • the reporting periods covered by the Plan	i
Key activities	2
Operating context • Capability • Environment • Risk oversight and management • Cooperation (called engagement in this Statement of Corporate Intent) • Subsidiaries (not applicable to DHA)	 3 4 45 45
Performance • Performance measures • Targets for each performance measures.	 43

Appendix E

Acronyms and abbreviations

ACT	Australian Capital Territory
ARF	Accompanied Resident Family
BARC	Board Audit and Risk Committee
DSR	Defence Strategic Review
EOI	Expression of Interest
EPMO	Enterprise Program Management Office
ESG	Environmental, Social and Governance
IIP	Integrated Investment Program
LIA	Living in Accommodation
NDS	National Defence Strategy
NT	Northern Territory
RBCH	Rent Band Choice Housing
SA	South Australia
SAM	Strategic Asset Management
URF	Unaccompanied Resident Family