

**BUDGET ESTIMATES 2010-2011
QUESTIONS ON NOTICE
HOUSING, SMALL BUSINESS, VETERANS' AFFAIRS**

Questions from Mr Pearce

1. What is the current Department of Housing maintenance backlog in the Illawarra?

ANSWER:

\$24 million.

2. How many Department of Housing residents in the Illawarra are being housed in temporary accommodation whilst maintenance work is completed?

ANSWER:

Nil

3. When will the Department of Housing development in Market Street, Wollongong be complete and how many additional residents is it expected to accommodate?

ANSWER:

This development is scheduled for completion in late 2011. This development comprises of 56 units for seniors (32 x 1 bedroom and 24 x 2 bedroom) dwellings.

4. In relation to youth homelessness in the Illawarra:

a) Broken down each year from 2003-04 to present, how many young people sleep rough in the Illawarra on average each night?

b) Broken down each year from 2003-04 to present, how many young homeless people are there in the Illawarra on average each night?

c) What is the NSW Government doing to reduce youth homelessness in the Illawarra?

ANSWER:

a & b) Housing NSW does not collect data on youth homelessness. Key data sources on homelessness are the ABS Census data and SAAP data.

c) The NSW Government's actions to address youth homelessness in the Illawarra are detailed in the Illawarra Regional Homelessness Action Plan on the Housing NSW website.

Questions from Mr Shoebridge

Affordable Housing – Barangaroo

5. With regard to the proposed Lend Lease development at Barangaroo South, Sydney, which will contain some 800 apartments, can you advise how many of those will be managed by Housing NSW, if any?

ANSWER:

At this stage there is no social housing proposed for the Barangaroo development.

6. Will there be any 'key worker' housing and how will eligibility for this housing will be defined?

ANSWER:

The Director General's Environmental Assessment Report for the Concept Plan of the State Significant Site Listing for Barangaroo is located on the Department of Planning website. Section 7.6.2 of the Report, on pages 111 – 112, provides details of Lend Lease's plans for housing of essential key workers and intermediate housing. The link for the Report is listed below.

<http://majorprojects.planning.nsw.gov.au/files/55768/Environmental%20Assessment%20Report.pdf>

7. Is any existing social housing adjoining the Barangaroo development going to be redeveloped or sold?

ANSWER:

Housing NSW is auctioning 99 year leases for a small number of Housing NSW properties at Millers Point.

Home Ownership

8. What is the NSW Government's view of the escalating costs of home ownership?

ANSWER:

This question should be directed to the Treasurer.

9. Would you characterise the First Home Owners grant as a success or failure, in terms of reducing real housing prices for first home owners, given that median house prices have gone up rather than down?

ANSWER:

This question should be directed to the Treasurer.

Housing NSW plans for Redfern Waterloo

10. What is the preferred average density for all current Housing NSW-owned sites in Waterloo – is it 2:1 floor space ratio (i.e. floor space double the land area)?

a) Or does this density ratio only pertain to the areas with walk-up flats?

b) Or is it a goal for the whole area?

ANSWER:

Housing NSW considers that the gross floor space ratio (FSR) for any location needs to be contextual. Housing NSW is currently working closely with the Redfern Waterloo Authority to finalise future redevelopment options for the Redfern Waterloo area.

11. Is it the case that no units of social housing have been financed wholly or partially by the Redfern Waterloo Authority's affordable housing fund transferring money to Housing NSW?

ANSWER:

The Redfern Waterloo Authority's affordable housing funding is proposed to be used for affordable housing not social housing.

Waterloo Green Neighbourhood Project

12. How much is the Waterloo Green Neighbourhood Project going to cost?

ANSWER:

On 19 February, 2010 the Premier announced the Waterloo Green Neighbourhood Project at an estimated cost of \$12 million over three years.

13. Where will this money come from?

ANSWER:

Housing NSW Budget

14. If it is coming from the general maintenance budget what areas/properties will lose their maintenance budget to make up the shortfall?

ANSWER:

The project will not impact on maintenance to other Housing NSW properties.

15. Who will supply the training for the concierge and maintenance jobs?

ANSWER:

Contracts for the concierge and maintenance jobs have been awarded to external providers. Providers will have carriage for ensuring staff are trained.

16. What pay scale will be used for Housing NSW residents who are employed?

ANSWER:

Social housing residents employed in the different services will be paid according to the relevant award rates for each position.

17. How will this affect their tenancies?

ANSWER:

Depending on the number of hours worked, tenants may have a rent increase. However, tenants may be eligible for the Tenant Employment Incentive Scheme which provides a 12 week grace period before their income is included in the calculation of their rent subsidy.

18. How is the induction of Housing NSW tenants being conducted?

ANSWER:

Induction and ongoing mentoring and support of residents employed in the services will be conducted by the relevant employers.

19. How many applications have been received from Housing NSW tenants for these jobs?

ANSWER:

The three service components of the Waterloo Green Neighbourhood Project will each provide employment and training for social housing tenants. More than 160 people have either attended information sessions or recruitment sessions. A number of social housing residents have been employed or are undertaking training courses.

National Rental Affordability Scheme

20. NSW applicants won 1,074 National Rental Affordability Scheme incentives in round 1 and 1,363 in round 2. The Government is offering 910 incentives in round 3 and 1,250 'NRAS B' incentives in round 4. Their total of 4,597 represents 9% of the potential number of incentives being provided by the Commonwealth under the scheme, namely 50,000 Australia-wide. Given New South Wales's share of the Australian population and the relative intensity of housing unaffordability in this state, do you think this is a reasonable number of NSW state incentives over the scheme's establishment and expansion phases?

ANSWER:

To date under the National Rental Affordability Scheme Calls One to Four, NSW has offered funding for over 4,000 new affordable housing properties in high need locations across NSW. These properties will assist lower income individuals and families in housing need. Not all 50,000 incentives have been allocated and the Australian Government may determine if future rounds of the National Rental Affordability Scheme will be conducted.

Northern NSW Homeless Action Plan - Ballina

21. Is it the case that \$9.5m million dollars has been allocated to the region's Homelessness Action Plan?

ANSWER:

Final funding allocations for Regional Homelessness Action Plans have not yet been resolved.

22. Is it the case that Sheraton House in Ballina is the only facility specifically catering for single, homeless men on the North Coast?

ANSWER:

Local responses to homelessness include a range of SAAP funded services as well as a wide range of charitable, non-government and government services providing assistance to people at risk of homelessness on the North Coast.

23. Is there any possibility that the State Government may be able to fund Sheraton House at a cost of approximately \$220,000 a year in order to keep this facility open?

ANSWER:

The Homelessness Action Plan notes evidence which supports the re-focusing of homelessness interventions on prevention and long-term housing rather than crisis accommodation. The North Coast Regional Homelessness Action Plan which is available on the Housing NSW website confirms its priorities to support this reform direction.

24. Have you spoken to the Member for Ballina about this matter?

ANSWER:

I have received representations from the Member for Ballina on this matter.

Tingira Heights purchase

25. What was the exact purchase price in dollars paid by Housing NSW for the 3-5 James Street Tingira land parcel?

ANSWER:

Housing NSW does not purchase any land or properties without a formal valuation. This valuation is conducted by an independent registered property valuer to determine an acceptable purchase price for the land or property. The land only component (excluding works) was \$390,000 inclusive of GST.

Boarding House Financial Assistance Program

26. How much money did Housing NSW allocate annually to its Boarding House Financial Assistance Fund for the years:

- a) 2009-2010
- b) 2008-2009
- c) what the estimated expenditure will be in 2010-11?

ANSWER:

Housing NSW provides grants to eligible applicants under the Boarding House Financial Assistance Program to help owners and operators of boarding houses to undertake essential fire safety works. \$199,000 was provided annually for the years 2008-2009 and 2009-2010, and the same amount has been budgeted for 2010-2011.

27. How much of the Boarding House Financial Assistance Fund was used in the last financial year?

ANSWER:

Funds were provided in order to provide essential fire safety upgrades for 210 boarding house rooms.

28. Is unused Boarding House Financial Assistance Fund money allocated back into the fund the following year?

ANSWER:

Yes

29. Can you indicate when there will be changes to the remit of the Boarding House Financial Assistance Program, and what those will be?

ANSWER:

Housing NSW is currently considering expanding the Boarding Housing Financial Assistance Program.

30. How many boarding houses are there in NSW?

ANSWER:

Housing NSW does not have responsibility for regulating boarding houses. Details about licensed boarding houses should be referred to the Minister for Ageing, Minister for Disability Services, Minister for Volunteering, and Minister for Youth.

Housing NSW Expenditure

31. The Housing NSW 'Budget commentary' (p.5) indicates that the combined Housing Policy and Assistance Program of Housing NSW and the Aboriginal Housing Office will cost \$1,652 million. Yet the Budget estimates (Budget paper no.3: Budget estimates 2010-11, p.6-35) indicate that total expenses excluding losses for the Housing Policy and Assistance Program will be \$1,174 million. How do you explain the difference?

ANSWER:

The Housing Policy and Assistance Program for 2010-11 is \$1,652 million which is funded by \$950.3 million from Commonwealth and State sources, asset sales and other agency internal funds. It does not include funding for staff costs.

In Budget Paper No.3, Budget Estimates 2010-11, total expenses of \$1,174 million are mentioned. This figure comprises \$950.3 million which is funded from Commonwealth and State sources as mentioned above, and includes funding for staff costs. It does not include income from asset sales and other agency internal funds.

32. Information provided by Housing NSW at the time of the state budget for 2010-11 in its 'Budget commentary' showed a trend of increase reliance on revenue from internal agency funds. The figures were \$32.8 million in 2008-09 and \$423.5 million in 2009-10, and an estimated \$474.2 million in 2010-11. Can you indicate what sort of revenue categories this \$474.2 million is comprised of? How do you explain the 12% increase (over last financial year) in reliance on this revenue source?

ANSWER:

The \$474.2 million is classified as agency internal funds for the Housing Policy and Assistance Program. Funding contained in this category relates to:

- Unspent program funds from the previous financial year.
- Other grant funds received from the Commonwealth or other State Government Departments.
- Other maintenance and asset management funds not funded through the Consolidated Fund.

Maintenance backlog

33. An Audit Office report, Follow-up of performance audit: maintenance of public housing, in March 2005 indicated that 64% of the Land and Housing Corporation's properties were not adequately maintained against the Corporation's standards, and estimated the cost of clearing up this backlog was \$650 million. The 'NSW government's plan for reshaping public housing' indicated that 92,000 dwellings would be upgraded to address that backlog over the next 5 years, that is, up to and including 2009-10. Since the Audit Office report of 2005 we have had intensive attention to maintenance under the Nation Building Economic Stimulus Plan. Can you indicate how many Land and Housing Corporation's properties do not meet the Corporation's maintenance standards (as at June 2010)? What proportion of the Corporation's such properties would comprise? What are the estimated costs to do the works to have them meet the standards?

ANSWER:

In recent years, the combined Australian Government and NSW Government accelerated maintenance spending has been focused on stimulating activity in the housing industry by allowing Housing NSW to accelerate its maintenance upgrade

programs and help reduce the maintenance backlog. As a result, maintenance and upgrading work has been undertaken on over 140,000 properties since June 2008. This level of maintenance activity has reduced the maintenance backlog by over \$300 million.

34. Can you indicate the number of headleased stock (i.e. from the private sector) for the purposes of long-term social housing, as at 30 June 2010?

ANSWER:

The number of properties headleased for the purposes of long-term social housing is contained in Housing NSW's Annual Report.

35. Can you indicate the number of headleased stock (i.e. from the private sector) for the purposes of crisis accommodation, as at 30 June 2010?

ANSWER:

The number of properties headleased for the purposes of crisis accommodation is contained in Housing NSW's Annual Report.

36. Can you indicate how much was spent on the Special Assistance Subsidy – HIV and Disability – schemes in 2009-10?

37. Can you indicate how much was spent on the private rental brokerage and Tenancy Guarantee programs in 2009-10?

38. Can you indicate how much was spent on the Temporary Accommodation Program in 2008-09 and 2009-10?

ANSWER – 36-38

Under Housing NSW's Private Rental Assistance, which includes the Special Assistance Subsidy, Tenancy Guarantees, private rental assistance and Temporary Accommodation, in 2008/09 approximately \$45 million was spent and \$61 million in 2009/10.

39. Can you indicate how much was spent on mortgage assistance in 2009-10, and how much is estimated to be spent in 2010-11?

ANSWER:

Expenditure on the Mortgage Assistance Scheme is contained in Housing NSW's Annual Report. \$1million has been budgeted for 2010-11.

40. Can you indicate how much is estimated to be spent on the Crisis Accommodation Program in 2010-11?

ANSWER:

Approximately \$13.3m is estimated to be spent on the Crisis Accommodation Program in 2010-11 (this includes capital and leasing costs).

41. Can you indicate how much was spent under the Homelessness Action Plan (A way home: reducing homelessness in NSW – NSW Homelessness Action Plan 2009–2014), by government agency and project, in 2008–09, and in 2009–10?

ANSWER:

The National Partnership Agreement on Homelessness, NSW Implementation Plan 2009-2013 – Year 1, which is available on the Housing NSW website contains details of projects to improve outcomes for people who are homeless or at risk of homelessness. Details of funding per project is contained in the tables throughout the document.

42. Can you provide an outline of the 2010–11 budget for the Homelessness Action Plan, by government agency and project?

ANSWER:

Funding allocations for the 2010–11 budget for the Homelessness Action Plan are still being finalised.

Landcom's affordable housing scheme

43. What is the quota of affordable homes in Landcom's program currently?

ANSWER:

This question should be referred to the Minister for Planning.

44. Why is it so low?

ANSWER:

This question should be referred to the Minister for Planning.

Terminations – Housing NSW tenants

45. How many “notices of termination” were issued by Housing NSW to tenants in the year 2009-2010?

46. What are the figures for:

- a) 2008-2009
- b) 2007-2008
- c) 2006-2007
- d) 2005-2006
- e) 2004-2005?

47. How many applications for “termination and vacant possession” orders were made by Housing NSW to the CTTT in the year 2009-2010?

48. What are the figures for:

- a) 2008-2009

- b) 2007-2008
- c) 2006-2007
- d) 2005-2006
- e) 2004-2005?

49. How many "termination and vacant possession" orders were made by the CTTT in Housing NSW's favour in the year 2009-2010?

50. What are the figures for:

- a) 2008-2009
- b) 2007-2008
- c) 2006-2007
- d) 2005-2006
- e) 2004-2005?

ANSWERS to 45-50

The Consumer, Trader and Tenancy Tribunal (CTTT) is the responsibility of my colleague the Minister for Fair Trading. The CTTT has jurisdiction to consider and adjudicate on matters under the Residential Tenancies Act. It has a conciliatory role and matters are often resolved with agreement between the parties at the hearings. A Social Housing Division of the CTTT was established on 1 October 2008.

Housing NSW makes application to the CTTT for a range of reasons, including:

- To gain access to premises where it has made multiple attempts to contact a tenant and may need to carry out repairs or check on a tenant;
- To secure Specific Performance Orders to require tenants to abide to their condition of tenancy;
- To ratify orders for the payment of costs associated with property damage; and
- As a last resort, but only as a last resort, to terminate tenancies if the tenant will not pay rent or abide by other conditions of tenancy.

The 2008/09 Annual Report for the CTTT provides details of applications in the Social Housing Division. The report is available at http://www.cttt.nsw.gov.au/pdfs/About_us/Corporate_publications/Annual_reports/Annual_report_0809.pdf. The 2009/10 Annual Report will provide updated figures for the last financial year.

The collection of social housing data commenced when the new Social Housing Division was established. Prior to this, no Housing NSW corporate data system was available to capture this information.

New build social housing

51. What is the average current cost of new one bedroom units being built by Housing NSW?

ANSWER:

The average expenditure for one bedroom units for Housing NSW is currently between \$140,000 and \$165,000. The variance is attributed to design variations to

common areas, items such as car parking, number of storeys, lifts, site conditions, etc.

52. How does this compare with the average cost of new one bedroom units being built in private developments?

ANSWER:

Construction costs for new one bedroom units are consistent with units built in private developments.

53. What auditing process is being undertaken to ensure that the government is getting value for money and that best practice is being used on building sites?

ANSWER:

The majority of Housing NSW construction projects are put out to competitive tender. A small number, for example projects completed by TAFE apprentices, are completed by negotiated tender. Housing NSW administers contracts to ensure that they comply with contract and statutory requirements in the delivery of projects. Housing NSW has an ISO9001:2008 accredited Quality Management System (QMS) for construction and major upgrading projects.

54. In 2009-2010, how many public private partnerships has Housing NSW entered into or are on foot, and with which companies/consortia?

ANSWER:

Nil

55. What is the target, if any, for the general percentage of additional public housing being created, as a result of public-private partnership estate redevelopment projects?

ANSWER:

There is no current target to deliver additional public housing as a result of public private partnership estate redevelopment projects.

56. Why in the redevelopment planned for social housing in Glebe will there only be a net increase of 19 social housing units?

ANSWER:

The objective of the Glebe project is to redevelop an area of older social housing stock, to provide a revitalised community with a mixture of social, affordable and private housing.

57. What is the expected sale revenue from sale of public land in the Glebe affordable housing redevelopment?

ANSWER:

At this stage this information is commercial-in-confidence.

Questions from Mr Khan

Bathurst

58. When was notice first lodged with the Department of Housing of a faulty hard wired smoke alarm at a Department owned house in McMenamin Place Kelso occupied by Ms Jackie Kovacs?

- a) What subsequent requests were made to the Department for this smoke alarm to be replaced?
- b) Was any action taken to replace the faulty smoke alarm?
- c) Was a work order generated? If so what were its details?
- d) How many smoke alarms were installed at this property?
- e) How many of these smoke alarms were hard wired?

ANSWER:

(a) – (c) Housing NSW inspects and tests smoke alarms in all its properties on an annual basis. Records indicate no notice was lodged with Housing NSW that the smoke alarm at this property was faulty.

(d) – (e) 1 hard wired alarm

59. What is the Department's policy, if any, on the prescribed time frame for the replacement of faulty smoke alarms?

ANSWER:

24 hour timeframe

60. In this case, was smoke alarm replacement actioned within the timeframe?

ANSWER:

Not applicable - please refer to the response to question 58.

61. Has the Department of Housing commenced a review of this situation?

- a) If so when will its findings be handed down?
- b) Will they be tabled in Parliament?
- c) Will they be made public? If not, why not?

ANSWER:

This matter may be the subject of a coronial inquiry.

Monaro

62. What funds were expended on building new public housing in the Monaro electorate in each year since 2007? What funds are planned to be expended on new public housing in the Monaro electorate in each of the next three years?

ANSWER:

In the last three financial years, approximately \$25.8 million has been spent on building new public housing in the Monaro electorate. Approximately \$7 million is budgeted for 2010/11.

63. What funds were expended on upgrading public housing in the Monaro electorate in each year since 2007? What funds are planned to be expended on upgrading public housing in the Monaro electorate in each of the next three years?

ANSWER:

In the last three financial years, approximately \$6.7 million has been spent on maintenance and upgrading public housing in the Monaro electorate. The number of properties receiving maintenance and upgrading funds is based on property condition surveys undertaken every 2 years.

64. What funds were expended on modifying public housing to suit people with disabilities in the Monaro electorate in each year since 2007? What funds are planned to be expended on these modifications in the Monaro electorate in each of the next three years?

ANSWER:

The amount expended in previous and future years across NSW on modifying public housing to suit people with disabilities is determined by client need and priority. Further information concerning Housing NSW's Disability Modifications Program is available in its Annual Report.

65. What funds were expended on developing new community regeneration strategies in the Monaro electorate in each year since 2007? What funds are planned to be expended on these strategies in the Monaro electorate in each of the next three years?

ANSWER:

The Monaro electorate was not nominated as a priority location under Housing NSW's Building Stronger Communities initiative. However, in the last three financial years, and in the 2010/11 financial year around \$470,000 has been spent, or is planned to be spent, on community regeneration strategies in the Monaro electorate.

Port Macquarie

66. What funds were expended on building new public housing in the Port Macquarie electorate in each year since 2007? What funds are planned to be expended on new public housing in the Port Macquarie electorate in each of the next three years?

ANSWER:

In the last three financial years, approximately \$22.5 million has been spent on building new public housing in the Port Macquarie electorate. Approximately \$36 million is budgeted for 2010/11.

67. What funds were expended on upgrading public housing in the Port Macquarie electorate in each year since 2007? What funds are planned to be expended on upgrading public housing in the Port Macquarie electorate in each of the next three years?

ANSWER:

In the last three financial years, approximately \$4.6 million has been spent on maintenance and upgrading public housing in the Monaro electorate. The number of properties receiving maintenance and upgrading funds is based on property condition surveys undertaken every 2 years.

68. What funds were expended on modifying public housing to suit people with disabilities in the Port Macquarie electorate in each year since 2007? What funds are planned to be expended on these modifications in the Port Macquarie electorate in each of the next three years?

ANSWER:

The amount expended in previous and future years across NSW on modifying public housing to suit people with disabilities is determined by client need and priority. Further information concerning Housing NSW's Disability Modifications Program is available in its Annual Report.

69. What funds were expended on developing new community regeneration strategies in the Port Macquarie electorate in each year since 2007? What funds are planned to be expended on these strategies in the Port Macquarie electorate in each of the next three years?

ANSWER:

The Port Macquarie electorate was not nominated as a priority location under Housing NSW's Building Stronger Communities initiative. However, a major Housing NSW urban renewal project is underway in the Town Beach precinct of Port Macquarie, which is expected to be completed in the later part of 2011.



Frank Terenzini MP
Minister for Housing
Minister for Small Business
Minister Assisting the Premier on Veterans' Affairs