

**Additional Questions on Notice from the Budget Estimates Committee  
September 2006**

**Questions from Ms Pavey**

1. Are you aware of concerns regarding Housing Commission tenants, paying market rent at 6 Karee Cres Queanbeyan
2. Are you aware an order was made by the Consumer Trader and Tenancy Tribunal in December 2005, to fix 15 problems with the house including, mould in the kitchen, sagging ceiling, dangerous cracks to walls and defects in the under floor supports?
3. Why have only two things been repaired with 13 things still to be fixed?
4. Why has the Department continued to ignore the order of the CTTT for these residents to have these completed by February this year?
5. When will things be fixed?
6. Why did the Minister not meet with the tenants during the recent Cabinet in Queanbeyan, at which the Minister attended?

**Answer:**

1. - 5. The Department of Housing is aware of the matter. The Consumer, Trader and Tenancy Tribunal made an order that the Department undertake specific repairs to the property. The Department then completed repairs of a health and safety nature. The remaining repairs are under review because the Department has decided to sell the property, and the tenant has expressed a willingness to be rehoused. Following several attempts to offer alternative premises the tenant and Department agreed in writing that a mutually acceptable relocation would be completed within six months. During this timeframe the Department will attend to any maintenance repairs of a health or safety nature.

6. There was no request by the tenant to meet the Minister.

**Questions from Mrs Hale**

**Sell off of DOH assets since 1994**

7. Will the Department provide records of all Department of Housing property and/or land sales since 1994 including:
  - (a) A complete list of the addresses of DOH properties that have been sold;
  - (b) How much they were sold for;
  - (c) Copies of all contracts of sale;
  - (d) Details of the buyer or buyers.

*[This information can be provided electronically, for example in the form of an Excel file, as well as in hard copy form].*

**Answer:**

Detailed information on the sale of Department of Housing assets is included in the appendices section of the Department's Annual Report. To provide the level of information required by Ms Hale would require a search of hundreds of files across the Department and is considered an inappropriate use of Departmental resources.

8. The most recent donation from the former Housing Minister, Mr. Tripodi to the Housing Minister on leave, Cherie Burton, was \$2000 in electoral donations from Mr Tripodi's election fund. As it transpires that Mr. Tripodi's fundraising activities may possibly include income generated from having shares in companies that have profited from buying then reselling DOH properties, is it appropriate for Ms. Burton to have received or continue receiving donations from Mr. Tripodi's election funds?

**Answer:**

All donations received are recorded and disclosed in compliance with the NSW Election Funding Act and related regulations.

9. Do you know if any former Housing Ministers, current Housing Ministers or Acting Housing Ministers or any other member of the Government has any business connections or dealings with any of the persons mentioned in the February ICAC inquiry:
- (a) the former DOH officer Mr Graham Wade?
  - (b) Mr. Rainer?
  - (c) Mr. Lorenz?
  - (d) Mr Lesley Green?
  - (e) Mr John Ashe formerly of LJ Hooker St Marys?
  - (f) Buremeia Co?
  - (g) LB Alford and Associates?
  - (h) Waratah Property Services?
  - (i) Any company of which one or more of these persons is a director and/or shareholder?

**Answer:**

The Department of Housing cooperated extensively with the ICAC during its initial investigation and subsequent public inquiry into the dealings of Graham Wade, and will continue to fully cooperate with the ICAC in implementing any recommendations the ICAC may suggest in its final report. The ICAC is yet to provide its final report on this matter so any further comment would be inappropriate.

10. (a) Did Mr. Wade or any of his associates Mr, Rainer, Mr. Lorenz, Mr. Green and Mr. Ashe, or companies they were directors or shareholders in, ever sell any properties to any of the companies that Mr. Tripodi had, or has, shares in?  
(b) Will you investigate this matter?

**Answer:**

These matters would be more appropriately answered by Minister Tripodi.

**Funding and budget**

11. The Commonwealth government will be contributing to New South Wales, through the Commonwealth–State Housing Agreement, an amount of \$301.392 million in 2006-07, for the state's housing assistance programs. Over 80% of the Consolidated Funding allocation to the Department of Housing will be for social housing. Yet there will be a net increase in social housing dwellings in 2006-07 of only 289 dwellings, 203 of which will be headleased from private owners. Is this outcome a good return on the Commonwealth's investment in social housing in New South Wales?

**Answer:**

Funding under the Commonwealth State Housing Agreement is used to deliver on a range of commitments, not just additional social housing.

12. The Department of Housing's Budget commentary indicates there will be a Budget appropriation of \$22 million towards repayment of loans from the Commonwealth government. This amount is similar to the amounts in previous years. I understand that the total principal loan outstanding to the Commonwealth is about \$995 million.

- (a) How long will it take to repay the Commonwealth loan, if the annual repayments of the principal continue at about \$26 million (composed of \$22 million Budget allocation and \$4 million from the Department's internal sources)?
- (b) How much will the Department be paying this year towards the interest cost of the loans?
- (c) By the time the loan principal is repaid, how much will have been paid in interest from 2006-07 until the final payment?

**Answer:**

(a) At the present levels of repayments for the principal, the Department will finalise repayments of the loan in approximately 35 years.

(b) & (c) Interest paid is reported in the Department's Annual Report.

13. The Consolidated Fund allocation includes Commonwealth subsidies of about \$266 million to New South Wales for housing assistance programs under the Commonwealth-State Housing Agreement. The Department's annual report for 2004-05 (as with previous years) indicates that one of the recurrent activities paid for from the Consolidated Fund allocation is repayment of interest in Commonwealth loans of about \$21 million. Why is part of the Commonwealth's grant for new programs spent on repaying interest on a loan for past programs? Is the Commonwealth government aware that the NSW government is spending part of its current grants to pay off an old debt? Has the Commonwealth government agreed to the NSW government using part of its current grants to pay off its debt to the Commonwealth?

**Answer:**

The repayment of interest on Commonwealth loans has as part of the Department's recurrent activities been negotiated with the Commonwealth. The loan is reported to the Commonwealth annually under the terms of the Commonwealth State Housing Agreement. All interest paid will be included in the Department's Annual Report.

14. In 2005-06 the Budget allocation for public housing was \$252.152 million (revised estimate for year). This was comprised of \$29.882 million for 'public housing supply' and \$222.27 million for 'public housing asset management'. That is, 12% of the allocation was for public housing supply and 88% for public housing asset management. These proportions reflect those of previous years. In 2006-07 the Budget allocation for public housing is \$267.279 million. This is comprised of \$160.597 million for 'public housing supply' and \$106.682 million for 'public housing asset management'. That is, 60% of the allocation is for public housing supply and 40% for public housing asset management. What is the reason for the dramatic reversal of the purposes (proportions) of the allocation from previous years? What types of activities are included under 'public housing supply', given that there will be a net decrease of 1,124 units of public housing (capital and leased) stock over 2006-2007? What types of activities are included under 'public housing asset management'?

**Answer:**

The Department currently has a substantial reform agenda in place under Reshaping Public Housing. The current focus is on funding the reconfiguration of existing stock to meet contemporary and future client needs. The increase in activity for the Department's supply program reflects this.

Public housing supply includes purchases of new dwellings, construction/redevelopments of new dwellings, and short term leasing of private rental properties.

Public Housing Asset Management includes funding for general, responsive and planned maintenance, backlog maintenance under the Maintenance Reform program and fire safety upgrades for public housing properties.

15. In relation to the Department of Housing's Portfolio Strategy:
- (a) Is this a formal document approved by the Department's executive and the Minister?
  - (b) When was it approved?
  - (c) What time period does it cover?
  - (d) Is it available to this Committee?
  - (e) Is it available to the public?

**Answer:**

The general realignment principles were included in the Government's Reshaping Public Housing plan, announced in April 2005 and inform the Department's approach to long term asset planning.

The Reshaping Public Housing Plan covers a ten year period. The principles inform the Department's long term asset planning through its annual business planning cycle.

16. The Budget estimates a surplus of \$10.9 million for the Home Purchase Assistance Fund. What are the likely calls on the Fund on 2007-08? What will happen to Assistance Fund income if it continues to exceed outgoings?

**Answer:**

The Department is currently reviewing the Fund and future plans are not confirmed.

17. In December 2004 Cabinet approved the Department of Housing borrowing \$1 billion over five years to bring all Department of Housing properties up to appropriate maintenance and fire and safety standards. In 2005-06 approximately \$100 million was borrowed for this purpose and in 2006-07 the Department intends to draw another \$197.5 million for this purpose. Is the Department's program on track in order to get the full benefit of a series of loans totalling \$1 billion over five years?

**Answer:**

The funds required to eliminate the maintenance backlog, address fire safety and ensure that properties are kept in a maintained state.

18. The "2005/06 New South Wales Budget Commentary on the Housing Policy and Assistance Program" stated that, in addition to matching funds under the Commonwealth State Housing Agreement, the State Government would provide additional funding to the Department of Housing that included \$20 million "as the first payment of \$190 million being provided over four years as enhancement funding to support the Department's working capital requirements". The 2006/07 Budget Commentary on the Housing Policy and Assistance Program reported an allocation of \$25 million for the same purpose. With this enhancement funding totalling only \$45 million in the first two years of the sustainability package, will the outstanding \$145 million be allocated in the next two years' Budgets?

<sup>1</sup> Department of Housing, '2006/07 New South Wales Budget commentary on the housing policy and assistance program', June 2006, p.3.

<sup>2</sup> Department of Housing, '2006/07 New South Wales Budget commentary on the housing policy and assistance program', June 2006, p.21.

<sup>3</sup> Department of Housing, '2006/07 New South Wales Budget commentary on the housing policy and assistance program', June 2006, p.17.

**Answer:**

These matters would be more appropriately answered by the Treasurer

## Consultancies

19. How many consultancies have commenced this financial year? Last financial year?

**Answer:**

Information concerning consultancies over \$30,000 is available in the Department of Housing's Annual Report. The 2005-2006 Annual Report will be published later this year. No consultancies over \$30,000 have commenced since July 2006.

20. Can you table a summary list of all of these and how much was paid and to whom for these two years? Alternately, can you table all the agreements/contracts with consultants for these two years?

**Answer:**

Refer to previous answer.

21. Given the DOH has a number of highly educated and well-paid officers in its policy unit, why does the DOH rely so heavily on paying external consultants?

**Answer:**

The Department of Housing makes appropriate use of consultants in accordance with government guidelines.

22. Are there consultancies under way at the moment on the Housing and Human Services Accord, aspects of Reshaping Public Housing, and reviews of various tenant participation initiatives? Who is undertaking these consultancies, and what are their objectives or terms of inquiry?

**Answer:**

There are currently two consultancies underway for the Housing and Human Services Accord. The first Accord consultancy is being undertaken by Age Communications Pty Ltd to develop a joint assessment framework. The second is being undertaken by ARTD Consulting to develop agreed cross agency performance indicators.

Age Communications Pty Ltd is also undertaking a consultancy in relation to reshaping public housing investigating tenure arrangements.

## **Waiting lists**

23. How many households are on the current waiting lists for each DOH zone? [Please disaggregate these figures the waiting lists into segments, eg. priority/wait turn by DOH zone].

### **Answer:**

The number of households on the Housing Register can vary from day to day, depending on the number of new applicants and the number of applicants housed. As at June 2006, 53,328 people were on the Housing Register.

Of these people on the Housing Register as at June 2006, the Central Sydney Housing Services Division had the highest percentage of applicants approved for priority housing. This was followed by the Southern and Western Housing Services Division, then the Northern NSW Housing Services Division and then the Greater Western Sydney Housing Services Division.

24. How many households were housed from the wait-turn list segment for each year from 1994-1995 to 2005-2006?

### **Answer:**

This information is available from the Department of Housing's Annual reports.

## **Boarders and lodgers**

25. Minister, why has your government failed to enact any basic legislative protections for boarders and lodgers over the last 25 years, despite pleas to do so from social welfare groups, the Tenants Union and NCOSS?

### **Answer:**

This matter would be more appropriately answered by the Minister for Fair Trading.

26. Minister, will you in consultation with the Minister for Fair Trading commit to ensuring basic tenancy rights for these vulnerable people are added to the amendments currently being drafted to the Residential Tenancies Act, to ensure that boarders and lodgers are no longer subject to arbitrary and immediate eviction?

### **Answer:**

This matter would be more appropriately answered by the Minister for Fair Trading.

27. Would your government support a legislative amendment to that effect?

### **Answer:**

See answers to questions 25 and 26.

## **Water charges**

28. What is the estimated first quarter 2006 cost of water supplied to the Department of Housing for its residential stock by all water authorities across New South Wales? [NB: If the water costs cannot be disaggregated between residential and non-residential, please treat the above questions as if they applied to all DOH premises where water charges are paid (residential, office and other)].

**Answer:**

Due to water authority billing cycles, only annualised data can allow reasonable analysis.

29. What has the DOH's total water cost per annum been for the years 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, that is, actual amounts remitted to all water authorities for water usage? Please produce budgetary line items if possible or other supporting documentation.

**Answer:**

2000-2001: \$25.1million; 2001-2002: \$26.2million; 2002-2003: \$22.8million; 2003-2004: \$24.1m; 2004-2005: \$25.3m; 2005-2006: \$24.6m.

30. For the first quarter of 2006, what was the amount of money levied for water charges from social housing tenants in premises owned by the Land and Housing Corporation where such levies apply?

**Answer:**

Due to water authority billing cycles, only annualised data can allow reasonable analysis.

31. For the first quarter of 2006, what was the actual cost of water to the Department for all of its residential properties to which the water levy on tenants applies?

**Answer:**

Due to water authority billing cycles, only annualised data can allow reasonable analysis.

32. For the first quarter of 2006, what was the breakdown of the cost of water by individual water providers for the Department's residential properties to which the water levy on tenants applies?

**Answer:**

Data is not presently available to respond to this question.

33. For the first quarter of 2006, what percentage of the Department's total social



housing residential property water costs were met by the Department's tenants?

**Answer:**

Due to water authority billing cycles, only annualised data can allow reasonable analysis.

34. For the first quarter of 2006, did the aggregate imposed water levy exceed the actual water cost incurred by the Department? What was the difference in dollars (over or under the actual cost)?

**Answer:**

Due to water authority billing cycles, only annualised data can allow reasonable analysis.

35. Can the Minister confirm whether some residents of 73-75 White St, Lilyfield NSW 2040 are paying double the actual amount for their metered water usage, that is \$2.50 per week for water since water charges commenced in December 05, recently increasing to \$3.00 per week, when actual the water usage bill from Sydney Water for 24 Oct 05 – 19 Jan 06 was \$1.65 per week, and the latest reading at 24 Jul 06 was \$1.74 per week?

**Answer:**

Any tenant in a separately metered property, including 73-75 White Street, Lilyfield, will be entitled to a refund of water charges due if their actual water usage is less than their current percentage water charge. This will occur progressively from November 2006.

36. Is it the case that one tenant is paying \$7 a week for water when their actual water usage is billed at \$1.65, according to Sydney Water?

**Answer:**

Any tenant in a separately metered property, will be entitled to a refund of water charges due if their actual water usage is less than their current percentage water charge. This will occur progressively from November 2006.

37. For the first quarter of 2006, was the total amount of money collected by the Department for water levies from DOH tenants at 73-75 White Street Lilyfield greater, or less than, the actual cost according to Sydney Water (usage only), and by how much?

**Answer:**

Data is not presently available to respond to this question.

38. Will tenants who have overpaid for water be credited for their overpayments when billing based on actual use for metered tenants starts in November 2006?

39. What proportion of Department of Housing tenants in metered premises are paying more in water levies than the actual usage cost, according to the meter readings?

**Answer:**

38. & 39. Any tenant in a separately metered property will be entitled to a refund of water charges due if their actual water usage is less than their current percentage water charge. This will occur progressively from November 2006.

**Using superannuation to access home ownership; First Home Owners Grant**

40. The previous Housing Minister has suggested that people to be able to access their superannuation for the purposes of buying a home.
- (a) Does this proposal include means-testing?
  - (b) If so, what are the preferred thresholds?
  - (c) Are you as Acting Minister taking this proposal up, and do you intend to develop a proposal with your housing minister colleagues from other States and Territories to put a coherent proposal the Commonwealth Government?
  - (d) Or has the suggestion been ruled out by the Commonwealth?

**Answer:**

The Minister for Housing has launched a state-wide campaign calling on the Commonwealth Government to legislate to allow early access to superannuation to bridge the home deposit gap. The Commonwealth Government has so far ruled out the proposal, but NSW will continue to make representations.

41. Will the First Home Owners Grant legislation be changed to target it to people on lower incomes, by means testing it? What scope is there to change legislation in NSW to this effect?

**Answer:**

All State and Territory Housing Ministers have proposed to the Commonwealth Government that the First Home Owners Grant should be better targeted. Any such changes to NSW legislation would require agreement from the Commonwealth Government.

42. Without any means-testing, do you agree with some economists that allowing people to have access to their super for housing would have a price inflationary effect on real estate and advantage those who have already accrued the most superannuation?

**Answer:**

The NSW Government has launched a campaign to persuade the Commonwealth Government to allow early access to superannuation savings for a home purchase deposit. The Commonwealth Government has so far ruled out the proposal.

43. What are the equity implications of this?

**Answer:**

The equity implications will depend on the policies on eligibility.

## **RentStart**

44. Will the Minister provide an indexation history of Rentstart payment for all the years from 1994-1995 to 2005-2006, compared with:
- (a) CPI (NSW)
  - (b) Median rents for a 1 bedroom, 2 bedroom and 3 bedroom dwellings (NSW).

### **Answer:**

The amount of RentStart assistance spent each year by the Department is contained in its Annual Reports. Funding for RentStart has increased over the years. For example, in 1994/95 the Department spent \$11.62 million and in 2004/05 the Department spent \$22.86 million. In terms of the current financial year, \$24.9 million has been allocated, which will assist approximately 85,000 people.

45. What changes have been made in this same period to the percentage of income permitted to be spent on rent of a property proposed to be rented and still be eligible to receive Rentstart?

### **Answer:**

There have been no changes.

46. If the percentage has increased over that period, why has that happened?

### **Answer:**

Not applicable (based on the answer 45 above).

47. What proportion of income does the Department use to define 'affordable rent' (ie, rent as a percentage of income)?

48. How is this percentage determined?

49. What is the justification for increasing the percentage of rent to income when determining eligibility for Rentstart?

### **Answer:**

47., 48., and 49. Clients are not assisted into accommodation that is clearly beyond their financial means.

## **Glebe estate – "Bishopsthorpe and Philip' area only**

50. In 1985 the Land and Housing Corporation was given title to dwellings in the 'Bishopsthorpe and Philip' areas of the Glebe Estate by the Commonwealth. For each financial year from 1985 until 2005-2006, what were the numbers of Land and Housing Corporation-owned dwellings in this precinct?

### **Answer:**

Providing a year by year ownership summary for Glebe is considered an inappropriate use of Departmental resource.

51. What was the total number of sales of L&HC dwellings for each year from 1985 to 2005-2006 in this precinct? How much revenue was derived each year from these sales?

**Answer:**

Computer database issues prevent revenue from sales from being provided prior to 2000 however, fifteen sales occurred in this period. In 2001 there were two sales (revenue \$788,000). In 2002 there were three sales (revenue \$1,750,500). Between 2003 and 2005 there were no sales for the properties acquired by the Department from the Commonwealth Government in the Bishopsthorpe and Philip area.

52. What are the addresses of all the premises sold since 1985?

**Answer:**

Information regarding the sales of Department of Housing assets is available in the Annual Report.

53. Are any premises in this precinct to be sold in this financial year?

**Answer:**

None are planned.

### **DOH Tenant issues**

54. Why is the tenant at 108a Derwent St, Glebe, who has applied for a transfer, continually offered relocation to dwellings that have stairs, when the tenant has specifically requested a ground floor dwelling because of crippling arthritis?

**Answer:**

The tenant has been offered **one** property in Glebe. The Department was not previously aware that the tenant had arthritis. The Department has recently spoken with the tenant and has requested that she provide further information about her medical conditions. The Department will continue to endeavour to locate a suitable dwelling for this tenant.

### **Gordon Estate, Dubbo**

55. Dubbo Aboriginal Community Working Party member Stephen Ryan asked whether properties outside precinct 2 would be sold at auction as individual house and land blocks - giving current owners at least a chance of purchasing - or whether the Department would sell all the properties on one street as one large block. What is the answer to that question?

56. Is the Department planning to compulsorily acquire privately- owned homes in the Gordon estate?
57. If there are some areas in the Gordon Estate where the Department does not think it is necessary to acquire private properties, is there any impediment to allowing long-term public housing residents in those areas to purchase their homes and become private home owners?
58. If there is compulsory acquisition of homes, and those owners are compensated at a lower rate than rest of market in Dubbo, will this lock them out of the home ownership market elsewhere? What is the Department's plan to ensure that these people do not end up on the private rental market? Will the government or Department do anything to ensure that this will not happen?
59. Has the department contacted Shontell Stephens after she reportedly tried to contact the Department of Housing but had no response?
60. Will the department move to compulsorily acquire houses in Precinct 2 if one homeowner decides to sell? If not one, then how many homeowners deciding to sell would move the Department to acquire the rest?

**Answer:**

55. & 57. The Department has obligations under the CSHA and to the NSW taxpayers to ensure that any properties sold are done so in an open and transparent manner. Any properties on the Gordon Estate that the Department sells will be sold on the open market and tenants will be free to purchase them.

56. & 58. The Department's current agenda does not include compulsory acquisition of privately owned dwellings.

59. Yes.

60. The Department has no influence over the sale of privately owned dwellings. The Department's current agenda does not include compulsory acquisition of privately owned dwellings.

**'Reshaping public housing' and work disincentives**

61. In response to question 0043 (1), "What is the Minister's response to the recent report by the Tenants Union of NSW entitled 'Reshaping Public Housing and Work Disincentives", the answer supplied was that: "the Tenant's Union report is too narrow to give an accurate picture of the reforms' effects on a tenant's willingness to find work". Can you explain what was meant by 'too narrow'? In what way was it narrow?

**Answer:**

The Tenant's Union report was considered narrow because it is not representative of the wider public housing tenant population. Modelling used in the research is based on a small minority of public housing tenants who receive a rent rebate and

are earning upper-moderate incomes. This group represents less than 1% of the total number of public housing tenants.

62. What is the Department's definition or criteria to judge if a tenant "is able to rent in the private market?" What is deemed an acceptable proportion of income ratio to be spent on renting privately? If this is higher than the academically-accepted figure of 30% of income for the bottom two income quintiles, why is this?

**Answer:**

As part of the stakeholder consultations being undertaken to implement the Reshaping Public Housing reforms, the Department is refining criteria to judge whether a tenant is able to rent in the private market. The criteria are likely to include consideration of what is deemed to be an acceptable proportion of income to be spent in renting privately.

63. Does the combination of the 'Reshaping' rule changes, increase in rent related to increasing income, and the already-existing high effective marginal tax rates imposed by the Commonwealth tax rules pose serious disincentives to take up employment for a social housing tenant?

**Answer:**

In general the withdrawal of Australian Government Centrelink payments together with an increasing income tax rate has a greater marginal impact on household income than current social housing rent setting. The financial and non-financial benefits of working, or working more, will depend on individual household circumstances. It is not the intention of the Reshaping Public Housing reforms to discourage tenants from seeking work.

64. Is the Department's policy now to house only those not in the labour force, and what are the implications of this approach for social mix and concentration of disadvantage?

**Answer:**

No. The introduction of the Reshaping Public Housing reforms has taken the Department in a new direction focusing on providing housing to those most in need including the frail aged, people with a mental illness, people with a disability and the young homeless.

65. How does the added threat of losing one's secure public housing tenure if one takes a job accord with the section of the Commonwealth State Housing Agreement that refers to reducing workforce disincentives?

**Answer:**

Housing provides a stable base for those entering the workforce for the duration of their need. For tenants on fixed term tenancies, criteria for assessing eligibility for another lease are likely to take into account factors such as the stability of employment and the financial capacity to rent in the private market.

66. On what logical basis did the Minister make the judgement (see Question no. 0043) that the Reshaping Public Housing rules would not have any impact on tenants who may be offered a job through the Redfern Waterloo Authority's proposed Employment and Enterprise Strategy?

**Answer:**

Question no. 0043 (6) inquired about the impact of Reshaping Public Housing on the Redfern-Waterloo Authority's proposal to create employment for public housing tenants, rather than the impact on tenants accessing employment.

67. If a tenant were for example to be offered a job through that strategy, as for example in a hospitality industry job via the proposed training facility to be established at the Australian Technology Park site, and began that job on approximately \$15 an hour, working 28 hours a week, would they lose their public housing?

**Answer:**

The impact will depend on individual circumstances such as other types of income received by the person, household complement and whether a household member has a disability. Under current proposals for assessing eligibility for another lease, a single person with an only income earned by working 28 hours a week at \$15 per hour will not affect their eligibility.

## **Lightning Ridge**

68. In response to a question (number 0086) about the shortage of private housing in Lightning Ridge, the Minister responded that the Department had only received one Rentstart application. This answer does not reflect the question, which related to the supply and demand for private rental housing rather than applications for Rentstart. Can you please answer the question: does the demand for private rental accommodation outstrip supply in Lightning Ridge? If so, is any action being taken to address this demand?

**Answer:**

The Department has no evidence that private rental demand is outstripping supply in Lightning Ridge. Whilst monitoring the general supply or take-up of private rental accommodation is not the Department's role, the Department is monitoring demand for housing assistance from low income households in Lightning Ridge, including demand from low income private renters.

69. Is the Office of Community Housing and Aboriginal Housing Office housing classed as supported accommodation? Is it funded via the Supported Accommodation and Assistance Program? If not, is it the case that the women and children's refuge is the only supported accommodation in Lightning Ridge, funded through the SAAP Program?

**Answer:**

The Office of Community Housing and the Aboriginal Housing Office are not

classed as supported accommodation. Funding is not via the Supported Accommodation and Assistance Program.

70. How can the Department of Housing offer people in Lightning Ridge access to the Housing and Support Initiative when there is no social housing component in Lightning Ridge, which is an integral part of the program?

**Answer:**

I am advised that a future component of the Housing and Accommodation Support Initiative, called 'HASI in the Home', will not require the recipient to be accommodated in social housing and the Department of Health will consider providing packages to Lightning Ridge under this component of the initiative.

**Private rental market**

71. In answer to a Question on Notice about private rents 0044 (2): "If rents do rise rapidly, what strategies will be pursued to augment the supply of affordable private rental housing?" the Minister answered, "The government has a Centre for Affordable Housing within the Department of Housing that focuses on affordable housing policy". This was not an adequate answer as it drew attention to the existence and role of the Centre for Affordable Housing rather than what strategies it is pursuing in regards to the private rental market. If rents do rise rapidly, what strategies will be pursued to augment the supply of affordable private rental housing?

**Answer:**

The Centre for Affordable Housing has been established to pursue a range of strategies to increase the supply of affordable rental housing. These strategies include working with local government on affordable housing policies and initiatives; brokering affordable housing projects; delivering affordable housing in major development projects; and administering affordable housing programs.

**Changes to policy EST0007A "Sale of Homes to Tenants and Disposal of Public Housing"**

72. Why was Department of Housing policy EST0007A, "*Sale of Homes to Tenants and Disposal of Public Housing*" amended on June 29 2006?

**Answer:**

To facilitate redevelopment in identified areas.

73. Why was the policy changed from one that dealt almost exclusively with facilitating the sale of homes to tenants, to one that now emphasising commercial sale, including the words:

*"In areas of major development, the Department may designate a specific sales or marketing strategy to secure value for money, such as public auction or sale by tender."*



**Answer:**

To maximise revenues in identified areas to fund portfolio reconfiguration to better meet housing needs and to allow the Department to better meet its obligations to NSW taxpayers.

74. The policy reads:

Public Housing tenants can apply to buy their homes. While the Department is under no obligation to sell the property to the tenant, it will generally sell tenanted properties that:

- Are affordable to tenants;
- Are separately titled;
- Are being subdivided as part of a Community Renewal Strategy; or
- Providing the property is not required for future redevelopment or does not form part of a wider area sales plan.

What does "does not form part of a wider area sales plan" mean?

**Answer:**

Is not part of an area with a masterplan developed to implement portfolio reconfiguration.

75. Were these changes to this policy made in response to the Dubbo estate sell-off, and requests from Gordon Estate residents that they be allowed to buy Departmental properties?

**Answer:**

No.

76. (a) Did the Department consult any tenants, or the now-defunct Public Housing Customer Council, or any other tenant organisation, about this policy change?  
(b) If not, why not?

**Answer:**

(a) & (b) The Department's aim is to consult where possible but, on this occasion, the Department's policy change was not open to amendment based on tenant feedback.

**Affordable housing strategy**

77. Which of the following measures, whose purpose is to increase the supply of affordable housing, has the Department evaluated and/or implemented?

- (a) control and lowering of land costs;
- (b) long-term price covenants on developed affordable properties, indexed only to CPI or median wage increases, and an at-cost allowance for any further renovation value added by owner-occupiers (as assessed by a valuer);
- (c) stamp duty and other transaction cost waivers for affordable housing providers;
- (d) resumption of land;
- (e) low or no-interest loans and/or guarantees, for groups wishing to start housing co-operatives or housing associations, or similar affordable housing

undertakings?

**Answer:**

As Ms Hale is aware, the Government has established an Inter-departmental Committee to consider ways to improve the affordability of housing in NSW. A number of Ms Hales' suggestions have been considered by the Committee or are already in operation. For example, the control and lowering of land costs has been considered. The Metropolitan Strategy also talks about considering ways to "improve the affordability of housing in general, which includes the cost of construction and the supply of services land". It is understood that long-term price covenants on developed affordable properties has been used for some time by Landcom through its moderate income housing developments.

78. Was the Urban Development Institute of Australia correct in stating that there is a complete lack of management of housing affordability in Australia?

**Answer:**

No.

79. Have you discussed the future of the CUB site with the Planning Minister, in regards to possible inclusion of social or affordable housing on that site?

**Answer:**

Officers of the Department of Housing and officers of the Redfern Waterloo Authority have discussed these matters.

80. Do you support the suggestion that a proportion of affordable housing be placed on the CUB site, possibly managed by an organisation such as City West Housing?

**Answer:**

This question would be more appropriately answered by the Minister for Planning.

81. Could affordable housing on the CUB site house a mix of:

- (a) students (and possibly education institution workers) in the area, from UTS, Sydney University and Ultimo TAFE?
- (b) 'key workers' on ordinary incomes, e.g. teachers, nurses, clerical workers, cleaners, etc?
- (c) public housing applicants?

**Answer:**

This question would be more appropriately answered by the Minister for Planning.