

**BUDGET ESTIMATES 2009-2010  
SUPPLEMENTARY QUESTIONS FOR  
HOUSING and WESTERN SYDNEY PORTFOLIO**

**HOUSING NSW RESPONSES**

**Questions from Ms Hale**

**1. Gas Metering at 99 Lilyfield Road, Lilyfield**

- a. Is the Minister aware that Jo Daniels a tenant in the complex, has received a gas bill for \$532.43, for gas usage in a one-bedroom flat, over a 90-day period, which is due for payment on September 14?
- b. Does the Minister accept the usage of 297 megajoules a day on this Bill cannot possibly be accurate, as Daniels' bill for the same time last year was 27 megajoules? Does this indicate there is something terribly wrong with how gas is metered in the complex?
- c. Is the Minister aware that tenants in the complex have had their gas cut off, and Ms Daniels is now thinking of doing the same, and purchasing a gas bottle and camp stove as she is sick of over inflated gas bills, and has been to Energy and Water Ombudsman, AGL, the Department and your office, with no improvement in the situation?
- d. When will Housing NSW put in a new gas system that individually meters gas use accurately in this building?
- e. The tenants have been given keys so they can provide readings of the gas meters for their units. However tenants are still concerned that the gas system in the building has produced wild variations in estimated use and huge bills, from time to time, in some cases up to \$600. It has come to light that a report was undertaken on the water heating system in 2005 by Steven Beletich Associates that recommended that modifications be undertaken to reduce the gas consumption of the hot water system. Why was this report not acted on despite the numerous complaints from tenants to Housing NSW and EWON since 2005? Will the Minister now agree to act on the recommendations of this report so that the gas water heating system is modified or replaced?
- f. Will Housing NSW stop installing these types of hot water systems?

**ANSWER:**

Housing NSW is aware of the issues at 99 Lilyfield Road Lilyfield. A thorough investigation is being undertaken involving Housing NSW working closely with the Department of Commerce and its sub contractors in order to identify a solution to the high gas bills.

## **2. Future of Waterloo Social Housing**

- a. What is going to happen to the HNSW properties in Waterloo?  
Are there any plans to sell any Housing NSW land to private interests?
- b. Are there plans to sell the Housing NSW land in or around the 3 storey walk-ups for infill development?
- c. Are there plans to demolish old terraces for example in Raglan Street?
- d. Are there plans for infill development in between the Banks and Cook buildings on George/Pitt Sts or between the Marton and Solander buildings on the Waterloo Green?
- e. What community consultation is being planned for residents in the affected areas?
- f. Even though rumours have been rife in the area for years have tenants fears been addressed or are plans and the consultation process still vague?
- g. When will residents be informed as to what the plans are and how they will be affected by any upgrades?
- h. What are the plans for the walk up flats around Walker St?
- i. What is happening with the land that was slated for private redevelopment along Elizabeth Street opposite Redfern Park?

### **Answers:**

- a) Housing NSW is working with the Redfern Waterloo Authority to develop planning controls for the Redfern and Waterloo area. Once these controls are in place, Housing NSW will develop plans for the area.
- b) No
- c) No
- d) No
- e) The Redfern Waterloo Authority and Housing NSW have agreed that an active consultation process will be conducted. Housing NSW will take the lead role in consulting with public housing residents, in partnership with the

Redfern Waterloo Authority. The Redfern Waterloo Authority will lead broader community consultation in accordance with requirements for changing planning controls.

- f) Housing NSW and the Redfern Waterloo Authority have agreed on a proposal for consultation with public housing residents. The proposal features an active and engaging process, based on good practice developed by Housing NSW for a range of other large scale renewal projects.
- g) Housing NSW will consult with tenants regarding any redevelopment plans when individual site planning is underway.
- h) Housing NSW has several walk up flats in Walker Street. Currently, new walk-up flats and townhouses are being constructed on the east side of Walker Street. There are presently no other plans for properties in Walker Street.
- i) Housing NSW is liaising with the City of Sydney to finalise the Conditions for Development Approval. In addition, Housing NSW is in the process of calling tenders for the demolition of the existing duplexes.

### **3. Market rents**

- a. Is it the case that market rents have been calculated more frequently, meaning that working tenants paying market rent are facing big rent increases, eg. in the Leichhardt area of 15% one year then 16% the next?
- b. Isn't it the case that those increases are approximately double the private rental increases, in percentage terms in the Leichhardt area?
- c. Would some tenants, although working, find double digit rent increases difficult to pay?
- d. Would it be better to revalue market rents more often, thereby avoiding big jumps in market rents for working tenants?
- e. Why are market rents different for very similar flats in the same block?

### **ANSWERS:**

- a. Housing NSW updates market rents annually.
- b. No.
- c. No.
- d. No.
- e. As a result of differences between the number of bedrooms, car parking facilities and other property attributes.

### **4. 7-41 Cowper Road, Wolloomooloo**

a. I refer to Housing NSW's property at 7-41 Cowper Road, Wolloomooloo. One rumour doing the rounds at Cowper St complex is that the building will be demolished. Are there any plans to demolish this building?

b. Why did Housing NSW attempt to rent out one unit in the complex on the private rental market? I have not received an adequate explanation as to what the thinking was behind this?

**ANSWERS:**

4 a. No

b. Housing NSW has a program of selling commercial properties over time and reinvesting the proceeds in new social housing. Where there are both commercial and residential units in a complex; both are considered for retention or sale at the same time.

Housing NSW originally advertised for a private tenant to lease this unit for a short-term period whilst an assessment was made on the future ownership of the property but has since leased the unit to a community housing tenant.

**5. Recruitment**

a. Is it the case that Housing NSW is having trouble recruiting staff with a rumoured shortfall of 30% of positions advertised going unfilled?

**ANSWER:**

No. Housing NSW consistently attracts high numbers of applications for advertised vacancies from which appointments are subsequently made.

**6. Joanna O'Dea building, Camperdown**

a. Are there any plans to demolish the Joanna O'Dea complex within the next few years?

b. If so, what is planned for the site?

c. Will the residents be assured appropriate housing in the same area?

**ANSWER:**

There are no current plans to demolish the Joanna O'Dea complex.

**7. Housing NSW, LandCom and Cornish Group**

- a. Has Housing NSW or LandCom ever had any contractual arrangements with a company called Cornish Group?
- b. If yes, will you make the details of the contracts available?

**Answer:**

- a. Housing NSW has not had any contractual arrangements with a company called the Cornish Group.
- b. N/A.

**9. HOUSING STRESS IN WESTERN SYDNEY**

- a) What figures does the government have of the level of mortgage defaults in western Sydney over the last twelve months?
- b) What proportion of renters in western Sydney are spending more than 30% of their income on rent?
- c) How many blocks of land are currently available for an immediate sale and commencement of building in the western Sydney growth centres?
- d) What affordable housing requirement will the government place on new land releases in the growth centres?
- e) What strategy does the government have for meeting the affordable housing requirement?

**ANSWER:**

- a) The Reserve Bank of Australia reports in its Financial Stability Review of September 2009 that up to July 2009 mortgage arrears as a percentage of outstanding loans (i.e. those more than 90 days past due) ranged from approximately 0.5% to 0.9% across Western Sydney Local Government Areas.
- b) At the 2006 Census 39.8% of households of all incomes in Greater Western Sydney were spending more than 30% of their gross income on rent.
- c) This Question should be referred to my colleague the Minister for Planning.
- d) This Question should be referred to my colleague the Minister for Planning.
- e) This Question should be referred to my colleague the Minister for Planning.

**10. Tenancy at 61 Lancaster Parade Bateau Bay NSW 2261**

**A complaint was made against the tenant of this Housing NSW premises by her neighbour. Subsequently, a notice of termination was issued by the Housing NSW Legal Services team, dated October 10<sup>th</sup> 2008.**

**Question a. Which officer of Housing NSW initially fielded this complaint?**

**Answer:**

The written complaint was received at the Central Coast Access Centre and was referred to the local tenancy team.

**Question b. What specific steps were taken by that officer, or any other officer of Housing NSW, to verify details of the complaint?**

**Answer:**

- In September 2008 Housing NSW wrote to the neighbour seeking further information and documents about the complaint.
- Various information was considered, including:
  - Photos of the victim of the alleged assault;
  - Advice of an appointment with a Chamber Registrar;
  - Advice of time, date and event number of report made to the Tuggerah Lakes Local Area Command;
  - Additional statement from complainant; and
  - Statement of witness in support of the tenant.
- A review of the tenant's file.

**Question c. What steps were taken to ensure the tenant had appropriate support and assistance in responding to the complaint?**

**Answer:**

Verbal advice of the right to seek representation was provided to the tenant by a Housing NSW officer.

**Question d. Was the matter ever referred to the Joint Guarantee of Service (JGOS) committee?**

**Answer:**

No.

**Question e. On March 11<sup>th</sup> 2009, the Central Coast Tenants Advice and Advocacy Service, acting for the tenant, lodged a "Request for Review of Decisions" in accordance with Housing NSW's "Appeals and Review of Decisions" policy (EST0015A). This request referred to the "Good Neighbour" policy (EST0013A) and requested details of how this policy had been observed prior to issuing the notice of termination. To date there has been no response to this request. What is the explanation for this failure to respond to a "request for review of decision"?**

**Answer:**

The appeal request was received on 11 March 2009 and sought a review of the decision by Housing NSW to issue a Notice of Termination. At the time of receiving the Appeal, the Consumer, Trader and Tenancy Tribunal had already made orders on 30 January 2009 for termination and possession of the property.

As the matter had already been heard and determined by the Consumer, Trader and Tenancy Tribunal, Housing NSW determined that the decision was not appealable. The tenant was advised of this outcome verbally. This decision was confirmed by the independent Housing Appeals Committee and the tenant has been advised in writing.

**On June 12<sup>th</sup> 2009 the Central Coast Tenants Advice and Advocacy Service, acting for the tenant, received a response to an application to the Housing Appeals Committee (HAC). This response stated that “the Good Neighbour Policy is a guideline only and is not bound by procedural issues pertaining to decisions as such”.**

**Question f. What is the distinction between a Housing NSW Policy and a Housing NSW Guideline? How do tenants, their advocates and the community in general distinguish a “policy” from a “guideline” in the published policies of Housing NSW?**

**Answer:**

Housing NSW policy documents are publicly available. These provide information about how the agency will respond and make decisions in a broad range of circumstances. On occasion people may use the term guidelines when referring to a policy. The correct terminology is Housing NSW Policy.

**Questions from Mr Pearce**

**11. Subject Area: Nation Building and Jobs Plan – Economic Stimulus (The Commonwealth’s Social Housing Initiative) - REPAIR AND MAINTENANCE PROGRAM**

**QUESTION:**

- a. Can you explain to the Committee how the NSW Government defines the term “Social Housing”? Does this include housing provided by the community housing sector? Not for profit organisations, Housing NSW, etc. Can you provide the Committee with the total number of dwellings under each category for the last 5 financial years, the projected number of dwellings held in this financial year, and forward years?

ANSWER:

a. The term 'Social Housing' is commonly used to refer to housing for low income households, provided through three sub-sectors: public housing, community housing and Indigenous housing.

The total number of dwellings under these categories is contained in the Housing NSW Annual Report.

The total projected number in future years will be based on a number of factors, including the Property Transfer Program, Community Housing Growth Strategy, Affordable Housing Program and Nation Building - Economic Stimulus Plan.

QUESTION:

b. Can you indicate to the Committee whether the NSW Government funds the repair and maintenance of all social housing in NSW? If not, what other funding sources are available to undertake minor and major repair work to these dwellings? Please outline to the Committee the repair and maintenance process. Is this ongoing routine maintenance, or only at request of tenants? What statistic data is collected relating to the level of repair and maintenance? Can you provide details to the Committee for the last 3 financial years:

- i. Categories of repairs
- ii. Average cost.
- iii. Number of dwellings serviced.
- iv. Total funding allocated to repair and maintenance.

ANSWER:

b. Normally, maintenance for public housing is funded by rental income, supplemented from time to time from other sources including State and Commonwealth grants.

There is both ongoing routine maintenance undertaken in a planned and systematic fashion and maintenance work responding to calls from tenants.

Comprehensive data on repairs and maintenance is collected at individual work order level.

A similar approach and details apply for the Aboriginal Housing Office but for community housing the approach is more at the discretion of the housing provider. Providers are responsible for maintaining the properties in a habitable and safe state of repair.

- i. Repair Categories - Responsive maintenance via service contracts and property upgrading and planned maintenance.
- ii. Average Maintenance Cost – approx \$3,000
- iii. Number of dwellings serviced – around 290,000 in the last 3 years.



Details concerning maintenance and upgrading expenditure is contained in Housing NSW's Annual Report.

QUESTION:

c. Can you inform the Committee the total number of public housing dwellings in New South Wales prior to the commencement of the Australian Government's Nation Building and Jobs Plan? How many additional dwellings are expected to be delivered as a result of:

- i. Additional Commonwealth funding
- ii. Additional State funding

ANSWER:

c. As at January 31 2009, there were 124,969 public housing dwellings in NSW.

Australian Government funding as part of the Nation Building Economic Stimulus Plan will deliver around 6,000 new social housing homes by June 2012.

QUESTION:

d. Please inform the Committee whether the NSW Government is currently behind in its repair and maintenance schedule for public housing.

- i. What benchmark/KPI does Housing NSW use to measure this?
- ii. What is it currently – how often is this recorded (eg: quarterly?).
- iii. It is reported to the Minister? How often?
- iv. Is this reported through to the Commonwealth through the State Housing Agreement or any other mechanism (COAG?).
- v. Did the NSW Government seek assistance from the Commonwealth to undertake repairs and maintenance work on 31,146 dwellings?

ANSWER:

d. NBESP targets for 2008/09 have been met with \$65.2m spent on maintenance and repair works to 16,900 dwellings. The target of 15,573 dwellings was exceeded.

For 2009-10 Housing NSW has programmed works for the total \$65.2m Nation Building Economic Stimulus Plan allocation and has issued works orders to contractors.

Housing NSW measures maintenance performance using the following KPIs:

- Completions – number of dwellings
- Completions – expenditure
- 

Housing NSW is discussing with the Commonwealth a proposal to establish a national benchmark for housing asset performance.

The Nation Building Economic Stimulus Plan Housing Coordinator briefs the NSW Housing Minister on a regular basis.

As part of Nation Building Economic Stimulus Plan the Commonwealth requires monthly reports on repairs and maintenance works.

Yes, the NSW Government has sought funding from the Australian Government in regard to maintenance.

QUESTION:

- e. Please tell the Committee how many dwellings have been lost due to a lack of maintenance in the last 5 years?
- i. How many have been lost all together.
  - ii. How is this reported, if any figures were reported at all.
  - iii. What process does the Department go through before a house is demolished.
  - iv. Will this same process apply to dwellings falling under the Nation Building and Jobs Plan.
  - v. Do you know how this compares to other States? Is there a benchmark or target set for renewal of dwellings.
  - vi. Are you currently meeting that target.
  - vii. How will the Nation Building and Jobs Plan impact on this.

ANSWER:

- e. None.
- i. None
  - ii. Not Applicable
  - iii. A property may be demolished due to substantial damage or in preparation for redevelopment work.

When assessing a substantially damaged property, Housing NSW will decide whether the property can, in fact, be repaired and whether such repairs will be cost effective.

Typically properties are approved for demolition due to substantial damage that is caused by:

- Natural disaster – storm, earthquake
- Fire
- Termites
- Vandalism

- Structural damage

iv. Yes.

v. No.

vi. N/A

vii. N/A

**QUESTION:**

f. If the basis of the repairs and maintenance funding has been to prevent dwellings from being lost to the public housing system it would be reasonable to assume that the types of works involved would be repairs to kitchens, bathrooms, leaky roofs. Can you provide confirmation to the Committee that these are the types of repairs and maintenance proposals that are being carried out with the Australian Government NBJP funds. If this is the case, can you explain to the Committee why it also been mentioned, in various media releases that painting and other minor works have also been undertaken. How is it possible that these works could be considered necessary to prevent dwellings from becoming uninhabitable. Does it not appear to be a case of the Commonwealth coming to the aid of the NSW Government to fix a large backlog of maintenance work that was simply ignored by years of inaction by the current government.

**ANSWER:**

f. The Australian Government has committed \$130 million to maintaining and upgrading around 31,000 social housing homes in NSW. A portion of this was to upgrade homes that would otherwise have been in danger of being uninhabitable for various reasons.

Typical maintenance and upgrading on social housing homes does include repairs or replacement of kitchens and bathrooms as well as painting and other minor works.

The NSW Government has also brought forward \$200 million for repairs and maintenance.

**QUESTION:**

g. The Australian Government has allocated the NSW Government \$130.4 million for the repair and maintenance component of the Nation Building and Jobs Plan. \$65.2 million was allocated for the 2008/09 financial year. Please indicate to the Committee how much of this funding has currently been expended? Can you indicate to the Committee what proportion of the 2009/10 financial year (also can you confirm to the Committee whether this figure is

also \$65.2 million) has been received from the Australian Government.

ANSWER:

g. All \$65.2m was spent by Housing NSW on maintenance and repairs by June 30 2009 as required by the Australian Government. This was spent on around 16,900 homes.

Housing NSW is expected to spend a further \$65.2m this financial year (2009/2010).

To date for 2009/10, Housing NSW has received approximately \$9 million from the Australian Government.

QUESTION:

h. From the information tabled by the Prime Minister in the Australian Parliament, the geographical distribution of the repair and maintenance projects appear to be widespread. Projects are distributed in areas such as inner Sydney, western Sydney, northern and southern Sydney and regional areas. Can you indicate to the Committee whether any significant areas of public housing have been excluded from these repair and maintenance upgrades? If so, which areas have missed out. Is there a reason why areas have failed to attract this essential maintenance? Can you explain to the Committee what criteria was used to determine those areas that were to be submitted to the Australian Government as part of the NSW Government's proposals.

ANSWER:

h. No areas have been excluded from maintenance and upgrading work.

QUESTION:

i. Has the NSW Government completed all repair and maintenance projects funded under the Australian Government's Nation Building and Jobs Plan. If so, which areas are yet to be completed. When does the NSW Government intend to have all projects completed? Is there a timeframe for the NSW Government to expend all Australian Government funding under this stimulus program? Has there been a requirement for the NSW Government to provide regular progress reports to the Australian Government in respect to the Repair and Maintenance component of the NBJP. Has the NSW Government met all of its obligations under this reporting framework. If not, why?

ANSWER:

i. Housing NSW reached its target of spending \$65.2m by June 30 2009. It has till June 30 2010 to spend the remaining \$65.2m.

Housing NSW expects to reach this figure by this time.

Housing NSW reports to the Australian Government on maintenance and upgrading spending on a monthly basis.

Housing NSW is meeting all its reporting obligations under the Nation Building Economic Stimulus Plan.

QUESTION:

j. You will be aware that the Australian Government provides the NSW Government with specific purpose payments under the National Affordable Housing Agreement. In previous years, much of this funding has traditionally been allocated towards repairs and maintenance of the public housing stock. Given the NSW Government has in the 2008/09 and 2009/10 financial years, received \$130 million from the Australian Government for the repair and maintenance of public housing assets, how does it propose to utilise its current year funding allocation under the NAHA.

ANSWER:

Normally, maintenance for public housing is funded by rental income, supplemented from time to time from other sources including State and Commonwealth grants.

As it has done in previous years, Housing NSW will use the current year funding allocation under the NAHA on a range of housing assistance programs, including new housing supply, asset management, Rentstart, Building Stronger Communities and Special Assistance Subsidies.

Details of the Housing NSW budget for its Asset Management Program are contained on page 14-8 of Budget Paper 3.

QUESTION:

k. There has been some concerns voiced about the way that projects have been allocated to contractors under the NBJP. Can you explain to the Committee the way that the repair and maintenance projects on 7,800 dwellings has been managed? One would assume that this would have involved engaging a large number of contractors? What process were followed to find building contractors? Did Housing NSW engage existing building contractors or were new contractors engaged. If new contractors were engaged was there a tender and selection process followed.

ANSWER:

k. In October 2008, following an extensive tender and selection process, Housing NSW launched its new maintenance and repair

regime with six organisations – Spotless, Transfield, Lake Maintenance, Programmed Management Services, RTC Facilities Management and PJS Building.

These firms provide all of Housing NSW's maintenance and repair work and have absorbed the extra maintenance and upgrading work as a result of the Australian Government's Stimulus Plan.

**QUESTION:**

I. Can you indicate to the Committee what proportion of the \$130 million in funding that was provided to the NSW Government by the Australian Government has actually been used for the physical repair and maintenance of public housing (ie. allocated towards the costs of supplying materials and labour)? Are you aware of any Commonwealth funding being used for administration costs, local government levies, application fees and the like. Can you inform the Committee whether the NSW Government has applied any fees for services in the delivery of any housing repair and maintenance projects.

**ANSWER:**

I. All of the Australian Government funding is spent on maintenance and upgrading work.

## **12. NEW CONSTRUCTION (STAGES 1 AND 2)**

**Question a.**

Can you indicate to the Committee the numbers of public housing dwellings that have recently been lost from public housing stocks because of demolitions to make way for new construction? Please confirm to the Committee if the published figures for new dwelling construction have taken into account those dwellings that have been lost due to demolition?

**Answer:**

To date 220 dwellings have been demolished for Stage 1 of the Nation Building Economic Stimulus Plan (NBESP) and 157 dwellings have been demolished in preparation for Stage 2.

Housing NSW has also purchased nearly 600 homes across the state to facilitate tenant relocations.

**Question b.**

Can you indicate to the Committee whether any Commonwealth Government land been gifted to the NSW State Government as part of the Social Housing Initiative? If so, what land has been gifted? Are you aware of any State

government taxes and/or charges that have been levied in respect of any gifted land?

**Answer:**

No. All Stimulus social housing projects are being built on Housing NSW land or land bought from the private residential market.

**Question c.**

Can you provide confirmation to the Committee that all of the new dwellings that are being constructed under the Social Housing Initiative being constructed in accordance with the environmental standards prescribed by the Commonwealth Government guidelines (specifically the 6 star energy rating, energy efficient lighting and hot water systems, water tanks and ventilation systems)? If not, what has been the number of dwellings that do not meet the guidelines? What are the reasons for these dwellings not meeting the guidelines?

**Answer:**

All dwellings in the Social Housing Initiative will be constructed to Australian Government requirements, or otherwise agreed with them.

**Question d.**

Can you indicate to the Committee whether the NSW Government has made any spot-purchase of new home and land packages in the implementation of 'Element 1 – New Construction' of the Social Housing Initiative. If so, how many house and land packages were purchased. In which locations were these houses purchased. What was the average price paid for any spot purchases? If this method was used, can you indicate to the Committee why this method was considered to be a more efficient method of implementing the Social Housing Initiative compared to other methods?

**Answer:**

Housing NSW did not make any spot purchases of house and land packages however it did call a Request for Tender for house and land packages. Housing NSW is in the process of finalising and awarding this tender call.

**Question e.**

The Social Housing Initiative is an economic stimulus designed to create and support jobs. On 6 July 2009 the NSW and Commonwealth Ministers for Housing and the Prime Minister made an announcement about a housing development underway in Greenacre. The development was under construction and will provide 24 new social housing dwellings. This development has been claimed to support 63 direct and indirect jobs. Can you inform the Committee, what the breakdown of these jobs was between direct and indirect? How many of these direct jobs are bricklayers, how many are concreters, how many are carpenters, how many are excavation workers, and apprentices. Can you inform the Committee what the NSW Government considers to be an indirect job? Please indicate to the Committee what is the formula employed by the NSW government to report on the number of direct and indirect jobs that are supported by these construction projects?

**Answer:**

This number was an estimate provided by the builder. 'Direct jobs' applies to builders, tradespeople, labourers and apprentices working on site. 'Indirect jobs' in this instance would apply to other people employed by the builder in essential support roles.

Job methodology in regards to the reporting of job numbers is the responsibility of the NSW Treasury.

**Question f.**

Dwellings built under Stage 2 of the New Construction element of the Social Housing Initiative are required to incorporate design features for people with disabilities. An exemption process has been factored into the Commonwealth guidelines where the inclusion of these design features would result in excessive delay to the delivery of the projects. Can you indicate to the Committee whether any such exemption to these design standards has been sought by the NSW Government? If exemptions have been sought, can you indicate to the Committee the number of dwellings that have been subject to the exemption?

**Answer:**

The Commonwealth guidelines require 20% of dwellings to be class "C" adaptable which incorporate features for people with disabilities.

Housing NSW has not sought exemption from the design standards and proposes to meet the program target of 20%.

**Question g.**

Can you explain to the Committee the selection process that the NSW Government followed for the implementation of Stage 2 New Construction of the Social Housing Initiative? Can you indicate to the Committee whether there was an open tender process conducted to select contractors? If so, please tell the Committee how many responses were received to the call for tenders? Was there a selective tender process? Can you inform the Committee about the criteria that was used to decide the construction proposals that were accepted by the NSW Government? Can you inform the Committee whether any proposals submitted during the tender process were rejected? If so, how many and on what basis were proposals rejected?

**Answer:**

Stage 2 construction work is being offered to the construction industry in a number of ways. Development and Project Management firms can issue an open tender to all builders or issue a select tender to pre-qualified builders who are on the Housing NSW Builders' Register. Housing NSW expanded its Builders' Register from 51 building firms to over 200 firms.

Housing NSW is also currently undertaking a Head Contractor EOI which will see a number of larger projects 'bundled' together to create a large amount of building work. This will then be undertaken by a medium to large building firm



who can realise economies of scale and who have the technical expertise to deliver larger projects.

**Question h.**

Construction projects may be exempt from the provisions of the Environmental Planning and Assessment Act 1979 if they meet certain criteria. Approvals may be fast tracked under Section 23 of the Nation Building and Jobs Plan (State Infrastructure Deliver) Act or the State Environmental Planning Policy (Infrastructure) 2007. Have any housing projects been granted approval by either of these means. If so, how many and can details of those projects be provided to the Committee. Of those which do not qualify for either of these exemptions from Part 4 of the Environmental Planning and Assessment Act, which types of proposals will require a Development Application? Can you indicate to the Committee whether these development applications will be assessed and determined by local councils or the Department of Planning?

**Answer:**

Yes.

22 projects were approved using the *SEPP (Infrastructure)*, also known as ISEPP.

As at 28 September, 22 projects, which will deliver 635 homes, have commenced assessment under the Nation Building and Jobs Plan (State Infrastructure Deliver) Act (NB&JP Act).

As at 28 September, 177 projects, which will deliver 2,011 homes, have commenced assessment under the *State Environment Planning Policy (Affordable Rental Housing 2009)*, also known as AHSEPP, which has superseded the ISEPP.

All future NBESP projects will be assessed either under the NB&JP Act or the AHSEPP.

**Question i.**

Can you indicate to the Committee if local communities will be provided with the opportunity to comment on housing proposals under the Social Housing Initiative? Can you inform the Committee if it is the Government's intention that the majority of housing projects will be expedited, including waiving the need for normal notification/consultation processes with local communities and neighbours?

**Answer:**

All adjoining neighbours and local council receive a letter and a copy of a site plan and elevations at the start of the 21 day notification period. The letter contains instructions on how to lodge a submission.

**Question j.**

Please explain to the Committee if the NSW Government has developed any processes or policies that will be used to find tenants to occupy these new social housing dwellings? Will priority access be given to families, couples and individuals on the waiting list for public housing? Can you indicate to the Committee if homeless persons be provided with long term accommodation under this initiative? Please indicate to the Committee whether consideration has been given to how the homeless be provided access to the services they need to cope with any underlying health problems they may be suffering (medical, mental, substance abuse, etc)?

**Answer:**

Normal eligibility criteria will apply in relation to the new social housing dwellings. As such, new social housing tenants housed in the dwellings will be from the housing register. However, some of the new dwellings will be allocated to existing social housing tenants including tenants who have requested to return to a social housing site following redevelopment.

A proportion of the new social housing dwellings will be allocated to people who are homeless or at risk of homelessness.

**Question k.**

Can you indicate to the Committee any steps that Housing NSW has taken to inform local government of the planning reforms applying to the Social Housing Initiative? Please provide confirmation to the Committee that local government authorities were informed about projects under Element 2 of the initiative (being the repair/maintenance) within their jurisdiction. Please provide confirmation to the Committee that local government has been consulted on developments that are being carried out under Element 1 – New Construction of the initiative within their jurisdiction. Can you indicate to the Committee whether any changes were made to the New South Wales Government's NBJP Guidelines following receipt of any concerns that were raised by local government authorities?

**Answer:**

Housing NSW has met with Councils across NSW to discuss projects that are being planned in their jurisdiction and the implications of planning law changes. Housing NSW sent letters to General Managers of all local governments in April 2009 outlining the program and planning instruments Housing NSW planned to use.

Key staff from Housing NSW have also made presentations at a number of local government forums.

Housing NSW sends notification letters to Council when it sends notification letters to adjoining residents to inform them of Housing NSW's plans for a site. Local councils continue to display plans of these developments, even though they are no longer the approving authority.

Housing NSW does not need to notify local council when it undertakes maintenance and upgrading work. This was the case before the Nation Building Economic Stimulus Plan and continues to be the case.

**Question l.**

Please indicate to the Committee if any exemptions to building standards contained in building codes and planning regulations (for example the Building Code of Australia, disabled access requirements, bushfire standards, heritage guidelines, contaminated land regulations or energy efficiency regulations) been allowed in respect of new construction projects under the Social Housing Initiative. If so, how many exemptions were given and please provide details to the Committee of those exemptions if possible.

**Answer:**

No exemptions have been sought.

**Question m.**

Please indicate to the Committee the number of Orders under Section 23 of the Nation Building and Jobs Plan (State Infrastructure Delivery) Act 2009 that have been issued for social housing projects. Will details of any such orders be published in the NSW Government Gazette or on the NSW Government's Nation Building website? If not, why not?

**Answer:**

No social housing projects have been determined under the NB&JP Act as at 30 September 2009.

Details of any such orders will be published in the NSW Government Gazette, published in the local newspaper and/or on the NSW Government's Nation Building website.

As an extra layer of transparency, all determinations will also be published on the Housing NSW website.

**Question n.**

Please indicate to the Committee whether there are processes are in place to prevent the NB&JP Act being used for projects that have not been funded by the Australian Government under the Social Housing Initiative? Can you inform the Committee whether the NSW Government has any intention to continue to bypass normal planning and environmental regulations for non NBJP activities that are carried out by Housing NSW? Can you provide confirmation to the Committee that the Nation Building and Jobs Plan (State Infrastructure Deliver) Act 2009 be repealed upon all of the Australian Government funded projects being completed? If not, why not?

**Answer:**

By law, the NB&JP Act can only be used to determine projects funded by the Australian Government as part of the Nation Building Economic Stimulus Plan.

Housing NSW is using AHSEPP and is following the requirements as set out under AHSEPP.

**Question o.**

Please indicate to the Committee whether the NSW Government provides monthly progress reports to the Australian Government under the Social Housing Initiative. If progress reports are provided do those reports outline the key milestones in the implementation of the stimulus, such as construction starts, completions etc. Could you please provide to the Committee the number of social housing dwellings that were commenced and the numbers that were completed for each month between April and August 2009?

**Answer:**

Monthly reports are provided to the Australian Government for both maintenance and construction. The following construction milestones are reported:

- Site set out (construction start)
- Concrete slab complete
- Practical completion
- Certificate of occupancy

Below are the figures for construction starts and completions.

Please note that:

- These figures include both Stages 1 and 2.
- Figures are cumulative as at the date provided.
- Commencement figures are inclusive of completion figures

	27- Apr	25- May	29- Jun	27- Jul	31- Aug
Commenced	193	329	669	737	840
Completed	0	1	7	8	18

**Question p.**

On 5 June 2009 the NSW Housing Minister announced the names of the 9 companies that had been contracted to act as Development and Project Managers to assist the NSW Government deliver the 6000 extra social housing dwellings for New South Wales. These businesses were necessary to deliver the second stage of the stimulus involving more than 5,200 dwellings. Please indicate to the Committee how many of the social housing projects with funding approved by the Australian Government have been allocated to each of those companies.

**Answer:**

	<b>Business</b>	<b>Region</b>
1	ARUP	Western NSW
2	AAP	Sydney
3	Bovis Lend Lease	Hunter Valley/Newcastle
4	Capital Insight	Northern NSW / New England
5	Coffey Projects	Sydney
6	Crown	Sydney
7	McLachlan Lister	Sydney
8	Thinc	Southern NSW / Illawarra
9	TSA	Sydney / Central Coast

Each company has been allocated between 350 and 650 projects.

**Question q.**

The Housing NSW website indicates that project management consultants looking for work are encouraged to make contact with the above firms. The Minister's media release of 5 June 2009 quotes one of those businesses "reflecting the need to ensure that government funding permeates through to small and medium sized businesses, TSA management is working with small to medium sized contractors and consultants in the Central Coast region as well as Sydney based groups". Can you indicate to the Committee what procedures have been put into place, through contractual arrangements and the like, to ensure that when these companies select other businesses to participate in construction projects, those selection processes are fair and equitable. Can you provide confirmation to the Committee that the dealings of these companies are subject to the anti-corruption scrutiny of the Independent Commission Against Corruption (ICAC).

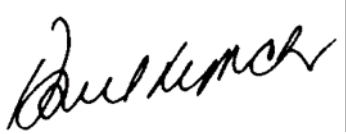
**Answer:**

To ensure project management firms are meeting Housing NSW expectations, several actions have been taken to ensure:

- All procurement is required to comply with NSW Government requirements.
- Each firm is required to have and implement a quality management system.
- Briefings of the firms included presentations by ICAC and the Housing NSW probity adviser in which it was made clear that in their NBESP roles, the firms fall within the scope of ICAC legislation and scrutiny.

All firms working for NSW were fully briefed on the need to follow the NSW Code of Practice for Procurement at all stages in their procurement processes. This was also communicated to them in the tendering processes which led to their selection.

Firms were also informed about other guidance documents to assist them, including the Standards Australia 8001-2008 Fraud and Corruption Control, which is a standard designed for both the private and public sector.

A handwritten signature in black ink, appearing to read 'David Borger', is positioned to the left of a vertical line.

For

**David Borger MP**

Minister for Housing

Minister for Western Sydney

Minister Assisting the Minister for Transport

**BUDGET ESTIMATES 2009-2010  
SUPPLEMENTARY QUESTIONS FOR  
HOUSING and WESTERN SYDNEY PORTFOLIO**

**WESTERN SYDNEY RESPONSES**

**QUESTIONS FROM MS HALE**

***HEALTH IMPACTS OF AIR POLLUTION IN WESTERN SYDNEY***

- 8.
- a. What steps has the government taken to ensure proper monitoring and reporting of air pollution levels in the hot spots in Western Sydney?
  - b. What targeted strategy has the government developed and implemented to reduce air pollution in the hot spots identified in West of Sydney?
  - c. What research has the government initiated since the report of the parliamentary inquiry into the health effects of air pollution in the Sydney basin (GPSC 2 Nov 2006) to identify groups at risk from air pollution in Western Sydney's hot spots?
  - d. Given the significant air pollution problems in Western Sydney, why has the government refused to implement the recommendation that environmental pollution control legislation be amended to include a specific duty of care on organisations to ensure that their activities minimise health effects on the community and the environment?
  - e. What steps has the government taken to develop a testing regime for ultra fine particle pollution in Western Sydney?
  - f. What steps has the government taken to reduce fine and ultra fine particle pollution in Western Sydney?
  - g. Has the government recommenced regular monitoring of air toxic substances in Western Sydney? If not, why not?

**ANSWER:**

8. (a) – (g)

This matter should be directed to my colleague the Minister for Environment and Climate Change for an appropriately detailed response.

***HOUSING STRESS IN WESTERN SYDNEY***

- 9.
- c. How many blocks of land are currently available for immediate sale and commencement of building in the Western Sydney growth centres?
  - d. What affordable housing requirement will the government place on new land releases in the growth centres?

**ANSWER:**

- c. This matter should be directed to my colleague the Minister for Planning for a response.
- d. This matter should be directed to my colleague the Minister for Planning for a response.

A handwritten signature in black ink, appearing to read 'David Borger', is positioned to the left of a vertical line.

For

**David Borger MP**

Minister for Housing

Minister for Western Sydney

Minister Assisting the Minister for Transport