

**PARLIAMENTARY INQUIRY**  
**SOCIAL, PUBLIC AND AFFORDABLE HOUSING**  
**MARCH 2014**  
**QUESTIONS ON NOTICE**  
**SUPPLEMENTARY QUESTIONS**

**1 QUESTION:**

Between 2011/12 and 2012/13 the LAHC Annual Report shows a decline of 1300 properties under the control of LAHC.

1a. Have all these properties been sold?"

1b. Provide a breakdown of the numbers of properties sold each year for the past 10 years

1c. What were the proceeds from these sales?

1d. Where were the proceeds of the sales assigned?

**1 RESPONSE:**

**1a.** These figures are a combination of sales of residential and commercial properties, and completions of private sector leases for public housing.

**1b. & c.** Information about sales is available in Annual Reports which are published on the Department of Family and Community Services and Department of Finance and Services websites.

**1d.** As per the Housing Act 2001, all proceeds from LAHC asset sales are reinvested into the social housing system.

**2 QUESTION:**

What was the figure of the maintenance backlog in 2010/11?

**2 RESPONSE:**

The Auditor-General's report, *Making the best use of public housing*, provides \$330million **per annum** as the latest available figure for the shortfall in maintaining the current number of properties to a reasonable standard. The Government's submission to the Inquiry notes that as in most other Australian jurisdictions, this shortfall has existed in the system since the early 1990s.

**3 QUESTION:**

In 2008 a media release stated that NSW has a target of 27% of grants in the first two rounds of NRAS. Why has NSW only utilised 6.9% of NRAS incentives as part of Round 4.

**3 RESPONSE:**

The total NSW NRAS Round 4 incentives in the Scheme (i.e. 4,764) represented 23.7% of all Round 4 incentives nationally (i.e. 20,069).

## **SUPPLEMENTARY QUESTIONS**

### **1 QUESTION:**

Once it is available, can a copy of the new maintenance contract and any associated tender documents please be made available to the Committee?

### **1 RESPONSE:**

The tender process is commercial in confidence. Once tenders are awarded, details will be available on the NSW Government procurement website.

### **2 QUESTION:**

If Australia was to increase refugee quotas would there be an impact on Social, Public or Affordable Housing in NSW?

### **2 RESPONSE:**

Whether or not (and to what degree) an increase to refugee quotas would impact on social, public or affordable housing in NSW depends on a wide number of factors such as the Commonwealth Government's refugee policies and the settlement programs applying at the time.

### **3 QUESTION:**

Does the NSW Government house immigrants that have arrived illegally or been granted temporary visas or refugee status in NSW Social, Public or Affordable Housing?

- a. If so, how many in total?
- b. What is the demographic breakdown of this group?
- c. Is it consistent with other current trends for SPA housing needs?
- d. What is the procedure or protocol to help them access such housing?
- e. What category do they come into in terms of prioritisation or categorisation or assessment of their needs?

### **3 RESPONSE:**

No. To be eligible for social housing assistance in NSW, an applicant must be an Australian citizen or permanent resident.

### **4 QUESTION:**

Has Housing NSW done any projections on the long term effect of an ageing population and its future tenancy needs?

### **4 RESPONSE:**

Yes

**5 QUESTION:**

How much money in total has been raised in the last 10 years in NSW from the sale of Social, Public or Affordable Housing?

**5 RESPONSE:**

Information about sales proceeds is available in Annual Reports which are published on the Department of Family and Community Services and Department of Finance and Services websites.

**6 QUESTION:**

How much money has been spent on new dwellings, apartments, etc. out of the proceeds of selling of Social, Public or Affordable (SPA) housing?

**6 RESPONSE:**

Information about new supply and maintenance expenditure is available in Annual Reports which are published on the Department of Family and Community Services and Department of Finance and Services websites.

**7 QUESTION:**

What are the \$/m<sup>2</sup> building costs to build new dwellings, apartments, outside of the land value?

**7 RESPONSE:**

Recent LAHC data averages of \$1,500 - \$1,800 m<sup>2</sup> across a range of building types achieving relevant design standards, consistent with leading industry indexed averages.

**8 QUESTION:**

What benchmark is used to review these costs?

**8 RESPONSE:**

Independent quantity surveying assessment is undertaken on all construction costs and these are benchmarked against industry indices.

**9 QUESTION:**

Are NGO's or NFP building dwellings, apartments per square metre cheaper, the same, dearer?

**9 RESPONSE:**

FACS does not hold data on NGO or NFP building costs.

**10 QUESTION:**

Is benchmarking done across all sectors that are developing this type of accommodation?

**10 RESPONSE:**

Independent quantity surveying assessment is undertaken on all construction costs and these are benchmarked against industry indices.

**11 QUESTION:**

If money is being lost because it costs more to build a house after selling the older stock off, then wouldn't upgrading houses be cheaper and more effective in a lot of cases?

**11 RESPONSE:**

LAHC carefully assesses its portfolio to ensure cost effective resource allocation across maintenance and new supply programs.

**12 QUESTION:**

In terms of \$6 billion worth of residential real estate being sold off to foreign investors last year, how many houses or units is this estimated to be between? What impact does this have on supply in terms of the percentage of housing available?

**12 RESPONSE:**

This question is not within the remit of FACS.

**13 QUESTION:**

What is the policy or protocol for dealing with tenants who vandalise public housing? Is there a 3-strike policy or sliding scale in situ?

**13 RESPONSE:**

Public housing tenants are responsible for the cost of repairs due to intentional damage or neglect by the tenant, a household member or authorised visitor. Where FACS has sufficient evidence of repeat or serious incidents of tenant-responsible damage, it takes action before the NSW Civil and Administrative Tribunal to obtain a specific performance order.

**14 QUESTION:**

In terms of the \$4.5b NRAS launched by Kevin Rudd in 2007:

- a) How much money has been given to NSW from the \$4.5b?
- b) How much of that has gone to house international students?
- c) How much was made available to social, public and affordable housing in NSW?
- d) What proportion of the existing housing stock is taken up by students?

**14 RESPONSE:**

- a) The payment of the Commonwealth's contributions to NRAS participants in NSW is the responsibility of the Commonwealth Department of Social Services. Payment is made direct to NRAS participants over a ten year period. The Department does not have access to this information.
- b) In Rounds 1 to 4 and the Shovel-Ready Round, approximately 11% were specifically for student housing. These properties are owned and/or managed by for-profit and not-for-profit organisations; therefore FACS does not hold data on students' status.
- c) All funding for NRAS in NSW is being made available for social and affordable housing.
- d) FACS does not hold data on the educational status of tenants in NRAS properties. These properties are owned and/or managed by for-profit and not-for-profit organisations.

## 15 QUESTION:

- a) Has the Government written to the Commonwealth Government requesting the continuation of the NPAH funding? If so, can that correspondence be made available and has there been a response?
- b) How many applicants on the social housing waiting list are identified as people with disabilities?
- c) How many properties are allocated as crisis housing?
- d) How many referrals for crisis housing are made to privately owned properties?
- e) How many crisis housing allocations are made to
  - i. motels?
  - ii. Privately owned caravan parks, MHEs or any other type of residential parks?
  - iii. Crown-owned caravan parks, MHEs or any other type of residential parks?
- f) What has been the annual cost of providing crisis housing for the past three financial years (2010/11, 11/12 and 12/13)?
- g) What proportion of crisis housing provision is used for:
  - i. young people?
  - ii. Women seeking accommodation as a result of domestic violence?
  - iii. asylum seekers and refugees?

## 15 RESPONSE:

- a) Yes, copy attached.
- b) As at February 2014, there were 14,650 applicants with a disability on the FACS NSW Housing Register (based on the main applicant receiving a Disability Support Pension).
- c) Around 1500 government funded properties.
- d) Crisis housing managed by community housing providers is an accommodation service and it does not involve making referrals to privately owned properties. Under the crisis accommodation and transitional housing program, 216 properties are procured through leasing of privately owned properties on the housing market for clients whose tenancies may range from a number of weeks to up to 18 months.
- e) Clients with a crisis housing need can be assisted through a number of housing programs and products. Housing NSW provides emergency temporary accommodation in low-cost hotels, motels, caravan parks and similar accommodation for people who are or homeless or experience a housing crisis through the Temporary Accommodation (TA) program.

In 2012/13, Temporary Accommodation was provided to more than 13,000 households. Of those, 10,197 were assisted into motel accommodation, 523 were assisted into caravan park accommodation and 2,353 were assisted into other accommodation such as boarding houses or hostels. Data is unavailable as to Crown or privately owned status of the parks, houses or hostels.

- f) Clients with a crisis housing need can be assisted through a number of housing programs and products and they include the Crisis Accommodation Program (CAP) and Temporary Accommodation (TA). The Crisis Accommodation Program (CAP) has been used to purchase, headlease, renovate, or upgrade properties that are allocated to non-government/community housing organisations to manage. These

properties are to assist people who are homeless, or at risk of becoming homeless and are in crisis. The Temporary Accommodation (TA) program provides emergency temporary accommodation in low-cost hotels, motels, caravan parks and similar accommodation for people who are or homeless or experience a housing crisis. Expenditure for these programs over 2010/11, 2011/12 and 2012/13 totals approximately \$110.87 million.

- g) i) more than 23% of total
- ii) more than 20% of total
- iii) Nil

#### **16 QUESTION:**

- a) What is the current number of applicants on the waiting list for Aboriginal Housing by LGA?
- b) How many new Aboriginal housing dwellings have been constructed in the last 10 years, at what cost, and how many dwellings have been constructed in each LGA?
- c) How many maintenance/refurbishment projects have been undertaken through the Build and Grow Aboriginal Housing Strategy, at what cost and in which LGAs?
- d) For each financial year since the commencement of Build and Grow, what amount has been allocated in the budget and what has been the actual expenditure? Please provide a breakdown of the expenditure by category, including new dwellings, maintenance and administration?
- e) How many Aboriginal community housing providers operate in NSW?
- f) Does Build and Grow include pre-design consultation with ATSI people?
- g) Does Build and Grow deliver any training opportunities for ATSI people in relation to design, management or construction of housing?

#### **16 RESPONSE:**

- a) As at February 2014, there were 2,417 applicants on the FACS NSW Housing Register waiting for an Aboriginal Housing property.

Note: applicants waiting for social housing in NSW are listed according to the allocation zone they have selected rather than LGA. Allocation zones are groups of suburbs, LGAs or towns where social housing is available and applicants are asked to select their preferred allocation zone when they apply for social housing. Details of applicants and wait times per allocation zone are available on the FACS website.

- b) 125 properties at a total cost of \$51.1M. See attached documentation for breakdown of dwellings constructed in the past 10 years by LGA.
- c) 537 backlog repairs and maintenance properties have been completed with 292 currently in progress in the following LGAs:

Armidale-Dumaresq, Bega, Dubbo, Eurobodalla, Great Lakes, Griffith, Gunnedah, Hay, Inverell, Kempsey, Kyogle, Lachlan, Lismore, Liverpool Plains, Marrickville, Moree Plains, Muswellbrook, Nambucca, Narrabri, Narromine, Port Stephens, Queanbeyan, Richmond Valley, Tamworth, Uralla, Warren, Warrumbungle, Yass, Young.

- d) The Build and Grow strategy provides backlog repairs and maintenance to participating Aboriginal Community Housing Provider (ACHP) properties. New dwellings and refurbishments are provided through the NPARIH. The annual Build

and Grow and NPARIH budget, with breakdowns of expenditure by category, is contained in the attached document.

- e) There are 203 registered Aboriginal community housing providers operating in NSW.
- f) The Build and Grow strategy provides backlog repairs and maintenance to participating Aboriginal Community Housing Provider (ACHP) properties. New dwellings are provided through the NPARIH. To ensure maximum participation in asset related elements under both Build and Grow and NPARIH the AHO employs a Program Control Group (PCG) approach. PCG's facilitate communication between residents, Aboriginal community housing providers, builders (Aboriginal and non-Aboriginal) and contractors across communities and resolve issues and agreed project variations where appropriate.
- g) FACS NSW has consistently achieved high Aboriginal employment participation rates for new supply delivery and maintenance. A Local Employment Register has also been established in each community to identify additional, local skilled and unskilled Aboriginal workers, available for work. The Register is managed through PCG's and is available for builders to access and recruit workers for projects. Where possible, the Register will be used to leverage additional training and employment opportunities, in partnership with Job Services Australia Agencies.

In the 2012-13 period:

- The NPARIH new supply program created **111** employment opportunities of which **29** were for Aboriginal people. This equates to **26%** of the NPARIH workforce against a national target of 20%.
- There are no Commonwealth targets under the NPARIH refurbishment program. A monthly average of **49** employment opportunities was created for apprentices, skilled and unskilled workers and sub-contractors working on the NPARIH Refurbishment program. **17** of these positions were Aboriginal people. This equates to **35.5%** of the refurbishment workforce (no set target).

Since the commencement of NPARIH, a total of **410** job opportunities have been created in NSW. **124** of these have been Aboriginal positions, equating to an overall participation rate of **30.5%** of the total workforce. Employment opportunities created under the NPARIH are for the life of the capital work projects.

#### **17 QUESTION:**

- a) The submission identifies that 53,500 people were assisted with specialist homelessness services. What was the cost of these services?
- b) What was the cost of providing rent assistance as defined in Table 7, p.18 of the submission, broken down by category and years 2010/11, 11/12, and 12/13?
- c) What was the cost of providing private rental assistance as defined in Table 8, p.18 of the submission, broken down by category and years 2010/11, 11/12, and 12/13?

#### **17 RESPONSE:**

- a) The SHS program grants budget for the 2012/13 financial year was \$134.48 million.
- b) and c): Tables 7 and 8 on page 18 of the submission refer to the same suite of Private Rental Assistance products. Private rental assistance expenditure over the three years 2010/11, 2011/12 and 2012/13 was approximately \$187.4 million.

**18 QUESTION:**

- a) How many people deemed homeless have been placed in social housing in the last 3 years?
- b) How many new dwelling have been constructed specifically to provide housing for homeless people in the last 3 years?
- c) What other support services are provided for homeless people and at what cost?

**18 RESPONSE:**

- a) The number of new priority housed social housing tenancies established for people who were homeless or at risk of homelessness over the past three years is as follows:
  - 2010-11: 8,915 (this figure is inflated due to the Nation Building Economic Stimulus Plan (NBESP) which ceased in 2011-12)
  - 2011-12: 4,739
  - 2012-13: 4,659
- b) In the last 3 years 146 dwellings have been constructed specifically to provide housing for homeless people. This figure includes 62 dwellings constructed for the Common Ground Camperdown project and Hope Hostel, a 24 bed crisis facility at Parramatta.
- c) In addition to the Specialist Homelessness Services (\$134.48 million pa), support to people who are homelessness or at risk of homelessness is also provided under the National Partnership Agreement on Homelessness (NPAH). In 2013/14 NSW received \$29.16 million from the Australian Government under the agreement.

**19 QUESTION:**

- a. How many applications have there been under the Boarding House Financial Assistance Program - New Supply?
- b. How many new rooms have been created in existing boarding houses as a result of this program and what is the total funding that has been allocated to existing boarding houses?
- c. How many new rooms have been created in new boarding houses and what is the total funding that has been allocated to new boarding houses?

**19 RESPONSE:**

- a) 53.
- b) Two, of which one has been completed and one is yet to be completed. \$20,000.
- c) 240, of which 52 have been completed and 188 are yet to be completed. \$2,400,000.





**The Hon. Pru Goward MP**  
Minister for Family and Community Services  
Minister for Women

24 JAN 2014

The Hon. Kevin Andrews MP  
Minister for Social Services  
Parliament House  
CANBERRA ACT 2600

Dear Minister

We write in relation to the future of the National Partnership Agreement on Homelessness (NPAH) and to open negotiations on the renewal of an agreement to address homelessness before June 2014.

These negotiations present a unique opportunity for the Commonwealth, New South Wales, Victoria and Queensland to break the cycle of disadvantage and prevent homelessness.

Across Australia demand for homelessness services has increased by 41% over the past five years. The cost implications for government services have been substantial with a recent Australian Housing and Urban Research Institute (AHURI) Report, estimating the average saving in State and Commonwealth government service costs through prevention of homelessness at \$29,450 per client per year or over \$700,000 over a lifetime.

The \$550 million provided under the NPAH assisted our Governments in meeting the increased demand for homelessness services but we acknowledge that more can be done to prevent homelessness at first instance.

We note the link between income support, employment and homelessness and the value of a joint approach on these issues to reduce costs to government and ensure the long term disadvantaged have access to employment.

More specifically, we would welcome a meeting to discuss the following measures to break the cycle of disadvantage, reduce demand for services and tackle welfare dependency:

1. Sector wide reform to improve performance and align services to need;
2. Introduction of state-wide compulsory rent deduction scheme for social housing assistance recipients to minimise the risk of homelessness; and
3. Cost effective ways to deliver homelessness and housing solutions for vulnerable groups such as those with mental illness and disabilities.

We appreciate the difficulties you may have faced in Opposition in accessing reliable information and data on the implications of introducing a compulsory rent deduction scheme and we are pleased to now be in a position to share this information with you and your Department.

It is important that we continue to work together to come to a position on homelessness funding so we can communicate this with the sector as soon as possible.

My office will be in touch regarding a date for a meeting in February.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Pru Goward', written in a cursive style.

**Pru Goward MP**  
Minister for Family and Community Services  
Minister for Women

A handwritten signature in blue ink, appearing to read 'Wendy Lovell', written in a cursive style.

**Wendy Lovell MLC**  
Minister for Children and Early Childhood Development  
Minister for Housing

A handwritten signature in black ink, appearing to read 'Tim Mander', written in a cursive style.

**Tim Mander MP**  
Minister for Housing and Public Works

### Aboriginal Housing Constructions in Past 10 Years

LGA	Dwellings	Approximate Project Cost*
Armidale - Dumaresq	4	1,410,000
Bourke	21	8,890,000
Brewarrina	12	4,910,000
Carrathol	1	560,000
Central Darling	13	8,850,000
City of Canterbury	1	400,000
City of Lake Macquarie	2	600,000
City of Newcastle	2	560,000
City of Randwick	4	780,000
City of Shellharbour	2	370,000
City of Wagga Wagga	3	1,050,000
Clarence Valley	1	610,000
Coonamble	4	1,790,000
Dubbo City	2	830,000
Gilgandra	1	380,000
Glenn Innes - Severn	2	520,000
Gunnedah	2	520,000
Inverell	2	620,000
Liverpool Plains	2	580,000
Moree Plains	2	680,000
Muswellbrook	1	490,000
Penrith City	1	480,000
Richmond Valley	2	780,000
Tamworth Regional	4	840,000
Tenterfield	2	770,000
Walgett	23	9,680,000
Warrambungle	3	1,460,000
Wellington	6	1,780,000
<b>Total</b>	<b>125</b>	<b>51,170,000**</b>

\* rounded to nearest 10,000

\*\* total may not add due to rounding

## Aboriginal Housing Office Build and Grow Expenditure Summary

Program	Description	Measure	2009/10		2010/11		2011/12		2012/13		2013/14	
			Actual	Budget	Actual*	Budget*	Actual*	Budget*	Actual*	Budget*	Actual YTD Feb 2014	Full Year Budget
SAFE HOUSES (funded from backlog Maintenance)#	AHO to supply crisis accommodation centres in remote communities	\$000's	90	90	1,588	3,500	623	1,300	669	1,199	40	530
BACKLOG MAINTENANCE (ACHP Properties)	Funding to help undertake backlog maintenance on the majority of all dwellings owned and managed by Aboriginal Community Housing Providers (ACHP)	Units	-	-	1	1	-	1	1	-	1	1
REFURBISHMENT	Specific funding to address repairs and maintenance of dwellings owned and managed by ACHPs in remote and very remote NSW.	\$000's	1,138	1,138	6,103	10,500	6,392	19,700	10,920	15,466	8,715	15,949
NEW SUPPLY (Capital Budget)	Building and/or buying 310 houses in remote and very remote NSW	Units	-	50	114	210	148	394	161	309	114	311
HOME OWNERSHIP PILOT		\$000's	1,079	1,079	14,097	10,221	10,172	14,400	11,365	10,285	10,541	13,005
PROPERTY & TENANCY MGT/ TESP	Tenancy home maintenance education and support programs including fire blankets, first aid kits, cleaning equipment.	Units	2	40	241	228	121	150	91	121	88	154
EMPLOYMENT RELATED ACCOMMODATION (ERA) (Capital Budget)	Building and/or buying 81 properties in regional centres to facilitate access for Aboriginal people from remote areas to employment and training opportunities in regional locations.	\$000's	10,957	10,957	22,896	21,075	15,209	16,699	15,103	17,066	7,520	27,607
BUILD AND GROW (Including Administrative Costs)	Costs for staff, administration, contractors, communications, and provider and tenancy education programs to support the implementation of B&G/NPARIH.	Units	41	40	39	36	38	35	35	35	20	52
TOTALS		\$000's	-	-	-	-	-	-	1,400	1,400	1,400	2,700
		\$000's	-	-	-	650	-	-	80	760	367	1,646
		Units	-	-	-	-	-	-	5	-	-	-
		\$000's	6,212	6,212	8,808	6,959	2,488	2,747	2,682	2,315	4,835	8,875
		Units	17	17	18	18	13	13	6	6	11	21
		\$000's	456	456	1,792	4,470	2,627	4,510	1,825	4,120	1,362	4,420
		\$000's	19,932	19,932	55,284	57,375	37,511	60,007	44,044	52,611	34,780	74,332

\* Program was underspent in these years due to a slow uptake of the program by providers and additionally, Western NSW experienced extensive flooding in 2009/10 and 2010/11 which caused delays to the program.

NB: there was no expenditure in the first year of the program 2008/9.

16d.