



**Nation Building**

**ECONOMIC  
STIMULUS  
PLAN**

## **Social Housing Initiative**

### **GUIDELINES**

#### **Element 1 – New Construction**

## **PART 1 - INTRODUCTION**

### **Background**

The National Partnership Agreement (NPA) on the Nation Building and Jobs Plan (NBJP) was agreed at the Council of Australian Governments (COAG) meeting on 5 February 2009. As part of this Agreement, COAG agreed to the implementation of a \$6.4 billion Social Housing Initiative over three and a half years.

The Social Housing Initiative represents a commitment by the Commonwealth Government and State and Territory Governments to significantly increase the supply of social housing throughout Australia and provide much needed accommodation to many disadvantaged Australians, particularly those who are homeless or at risk of becoming homeless. Governments have agreed to specific targets for both the construction of new social housing dwellings and the repair and maintenance of existing properties.

The initiative will also support existing agreements that were previously endorsed by the COAG in November 2008 to improve social and indigenous housing and reduce homelessness. A number of the objectives and reform elements from these existing agreements have been incorporated into these guidelines to ensure that all of the Commonwealth's housing programs are closely aligned.

The guidelines include a number of requirements and criteria that relate to agreements that were reached during the passing of the Appropriation (Nation Building and Jobs) (No. 1) 2008-2009 [No. 2] Bill through Parliament. This includes the specific environmental requirements that dwellings constructed through the Initiative will be required to meet.

Through the initiative, the Commonwealth will commit funding of \$6.4 billion over the next three and a half years. Over this period, around 20,000 additional social housing dwellings will be built together with more than 47,000 existing public and community housing dwellings being refurbished.

Funding will be allocated to states generally on a per capita basis, subject to jurisdictions submitting suitable proposals that meet the requirements of the initiative.

The Social Housing Initiative comprises two elements. Element one provides funding for new construction while element two provides funding to support the repair of existing social housing dwellings.

Element one will consist of two stages. Stage 1 will provide funding for social housing projects that are already in the development pipeline and can be brought forward to commence in 2009 and be completed before 30 June 2010. Stage 2 will provide funding for social housing projects following the completion of a competitive process to be conducted by each jurisdiction to identify suitable projects in the market.

### **Objectives of the Social Housing Initiative**

The specific objectives of the Social Housing Initiative are as follows:

- (a) to increase the supply of social housing through:
  - (i) new construction; and

- (ii) the refurbishment of existing stock that would otherwise be unavailable for occupancy.
- (b) to provide increased opportunities for persons who are homeless or at risk of homelessness to gain secure long term accommodation; and
- (c) to stimulate the building and construction industry, both through funding additional dwellings and increasing expenditure on repairs and maintenance. This will help stimulate businesses which supply construction materials and help to retain jobs in the industry.

The specific targets that have been agreed for the Social Housing Initiative are as follows:

- (a) the upgrade of 2,500 existing social housing dwellings by 30 June 2010 that would otherwise have been unfit for occupation; and
- (b) the construction of 20,000 new social housing dwellings, primarily for persons who are homeless or at risk of homelessness, by 30 June 2012 including:
  - (i) construction of 2,300 dwellings that are already in the development pipeline by 30 June 2010; and
  - (ii) construction of 15,000 dwellings by 30 December 2010.
- (c) the new dwellings will provide around a 50 per cent reduction in the waiting time for people with high housing needs on public housing lists and a reduction in the number of low-income households paying more than half their income in rent.

## **Purpose**

The purpose of these guidelines is to provide detailed information to States and Territories relevant to Element one of the Social Housing Initiative. The guidelines are designed to assist jurisdictions to:

- (a) undertake the competitive selection processes (required for Stage 2) to identify suitable proposals in the market for the construction of social housing;
- (b) submit proposals for funding; and
- (c) meet the reporting requirements for the initiative.

The Guidelines set out arrangements for the administration and delivery of the Social Housing Initiative. The Commonwealth reserves the right to amend these Guidelines as necessary, in consultation with jurisdictions. All changes will be conveyed in writing to each jurisdiction with changes to be posted on the Initiative website as necessary.

## Use of Guidelines by other interested stakeholders

While these guidelines are primarily aimed at States and Territories, other interested stakeholders including industry and the community housing sector should read this document to obtain an understanding of the arrangements that will be established to implement the Social Housing Initiative.

Of most significance, however, will be Attachment B. This attachment outlines the key criteria against which proposals for Stage 2 of the new construction element will be assessed by the Commonwealth. Stakeholders that may submit proposals for funding to

State and Territory governments will need to clearly demonstrate how these key criteria have been met.

## PART 2 - KEY REQUIREMENTS AND TIMELINES

### Key Requirements

The NPA on the NBJP (paragraph C.18) sets out the key requirements against which proposals for new construction (Element one) will be assessed. This paragraph reads as follows:

- C18. Proposals for funding under Element 1 of the initiative will be assessed against the following key requirements:
- (a) increase the supply of social housing dwellings within a jurisdiction;
  - (b) having regard to reforms listed at C7 (a), (b), (c), (d), (h), (i) and (k), and in line with the report to COAG on reforms by December 2009;
  - (c) increase the allocation of housing to people with highest needs on public housing waiting lists;
  - (d) facilitate or support the transition of persons who are homeless or at risk of homelessness to secure, long term accommodation;
  - (e) adhere to universal design principles that facilitate better access for persons with disability and older persons;
  - (f) constructed dwellings are environmentally sustainable; and
  - (g) promote activity in the short term using a variety of procurement arrangements, including spot purchases of house and land packages and purchases 'off the plan'.

The Commonwealth will assess all proposals for Element one against the key requirements listed above. Where a jurisdiction is unable to submit proposals that meet these requirements within the required timeframe, the Commonwealth may elect to either extend the timeframe in consultation with that jurisdiction or re-allocate that jurisdiction's notional funding allocation to another jurisdiction.

Key requirement (b) refers to a number of reforms that States and Territories have committed to progress under the agreement. The full set of agreed reforms outlined in the agreement is as follows:

- (a) integration of public and community housing waiting lists;
- (b) better social and economic participation for social housing tenants by locating housing closer to transport, services and employment opportunities;
- (c) implementation of support arrangements to assist social housing tenants to transition from social housing arrangements to affordable private rental and home ownership as their circumstances change;
- (d) reducing concentrations of disadvantage through appropriate redevelopment to create mixed communities that improve social inclusion;
- (e) introduction of a national regulatory and registration system for not-for-profit housing providers to enhance the sector's capacity to operate across jurisdictions;

- (f) increased transparency through the establishment of consistent and comparable accounting and reporting standards across jurisdictions that allow clear and objective assessments of performance that meet public accountability requirements;
- (g) social housing providers to be subject to independent prudential supervision to protect public investment in the sector;
- (h) improved tenancy management and maintenance benchmarks for social housing;
- (i) improved efficiency of social housing including through better matching of tenants with appropriate dwelling types and the introduction of rent-setting policies that reflect the type of dwellings occupied by tenants;
- (j) introducing contestability in the allocation of funds to encourage a range of new providers and create diversification in the not-for-profit sector to enhance the ability of providers to offer housing options to a broader range of client types;
- (k) leveraging of government capital investment to enhance the provision of social housing;
- (l) better use of government owned land to provide more affordable housing opportunities for low income earners; and
- (m) improved procurement practices that promote competition between proponents and provide participation opportunities for small and medium enterprises.

Individual projects will not be assessed against their achievement of these reforms separately. However jurisdictions are expected to report on their progress of these reforms through the various processes that have been established through COAG.

### **Assessment and Approval Timeframes**

States and Territories are required to lodge proposals for funding under Element One of the NPA on the NBJP as follows:

<b>Stage</b>	<b>Final Date for Lodgement</b>
New Construction (Stage 1)	No later than 15 March 2009
New Construction (Stage 2)	No later than 30 June 2009

The Commonwealth will assess proposals against the key requirements and inform States and Territories of approvals for funding within the time frames below. Jurisdictions are encouraged to submit proposals prior to the specified lodgement date. Where proposals are received prior to the lodgement date, and sufficient information is provided to allow the Commonwealth to undertake its assessment, the Commonwealth will endeavour to provide funding approval to jurisdictions within a three week period. Jurisdictions will need to liaise with the Commonwealth if it intends to lodge proposals prior to the lodgement dates to ensure that the approval process can be managed efficiently.

<b>Stage</b>	<b>Date of Approval</b>
New Construction (Stage 1)	No later than 1 April 2009
New Construction (Stage 2)	No later than 30 August 2009

## **PART 3 - PROJECTS THAT MAY BE FUNDED UNDER THE SOCIAL HOUSING INITIATIVE**

The Social Housing Initiative represents a new approach to Commonwealth funding of social housing. Unlike previous funding arrangements, funding provided through the initiative will support the establishment of a defined number of social housing dwellings which will be agreed with the relevant jurisdiction before funding is released.

While typical public and community housing projects are likely to be funded under the Initiative, the Commonwealth is seeking projects that support the provision of social housing through new or innovative models. These models might include partnerships between community housing providers, developers, investors and other organisations. Jurisdictions are asked to ensure that their procurement arrangements encourage the submission of proposals that offer diversity.

Any social housing project that meets the key requirements outlined in Part 2 of these guidelines can be considered for funding. Proposals will firstly need to comply with the requirements outlined in the procurement processes established by jurisdictions. Proposals will then be forwarded to the Commonwealth for consideration with the jurisdiction's assessment and prioritisation.

### Funding of projects in remote locations

The NPA on the NBJP is not intended to duplicate the efforts of other Commonwealth programmes. The Commonwealth will not support projects where funding for that project has also been granted through the National Partnership Agreement on Remote Indigenous Housing.

Jurisdictions will be able to seek and submit proposals for remote or very remote locations, however the key requirements and outcomes of the NPA on the NBJP would need to be met for these projects. These include providing an immediate stimulus to the building and construction industry and supporting the reform directions outlined in the NPA on the NBJP. In addition the average unit price for housing within a jurisdiction will need to remain at or below \$300,000 per dwelling, some higher cost housing in remote locations may be possible while still meeting an average cost of \$300,000 in the State or Territory.

### Funding of land owned by State or Territory governments

In general, jurisdictions will not be able to seek funding for proposals to cover the cost of purchasing land where that land is already owned by the State Government unless the land is for sale on the open market through a State/Territory owned land disposal authority or corporation, and was also for sale on 3 February 2009.

The Commonwealth may consider funding the cost of State/Territory owned land where that land will form part of a transfer scheme with a not-for-profit housing provider and where the average cost for dwellings in the jurisdiction is no more than \$300,000.

### Compliance with the National Building Code and Implementation Guidelines (where appropriate)

The National Building Code of Practice for the Construction Industry (the code) establishes minimum standard businesses must meet to be eligible for Australian Government Building

and construction, including work indirectly funded by the Commonwealth. The Code and Guidelines set out best practice principles for the building and construction industry. These principles reflect national workplace relations laws and have been endorsed by the Commonwealth, State and Territory Governments.

Compliance with the Code is now a Condition of Tender for Australian Government projects and individual projects funded through the Social Housing Initiative must comply with the Code where the following thresholds are reached.

### *Thresholds*

The Code and Guidelines apply to all construction projects indirectly funded by the Australian Government through grants or other programmes where:

- the Australian Government funding is at least \$5 million and represents at least 50% of the total construction value; or
- the Australian Government funding to the project is \$10 million or more.

An undertaking to apply the Code and Guidelines to the project and to private construction activity must be provided by a proponent and included with proposal documentation in all cases where their proposed project will exceed the specified thresholds.

Construction activity covered by the Code and Guidelines includes:

- building refurbishment or fit out, installation of building security systems, fire protection systems, air conditioning systems, computer and communication cabling, and building and construction of landscapes (see section 2.1 of the Guidelines)
- all organised activities concerned with demolition, building, landscaping, maintenance, civil engineering, process engineering, mining (excluding mining operations) and heavy engineering
- material suppliers who manufacture and/or supply construction components integral to a project.

The Code and Guidelines do not cover the ongoing maintenance (such as wear and tear) of building systems, including the maintenance of computer and other communication cabling, landscaping (such as lawn mowing, pruning and other horticultural activities), and cleaning buildings.

The Code and Guidelines apply to:

- government agencies funding building and construction projects
- companies/contractors working on these projects, including subcontractors and sole traders
- suppliers of materials to these projects
- related entities to any of the parties listed above.

More information about the National Building Code of Practice for the Construction Industry can be found at [www.workplace.gov.au/building](http://www.workplace.gov.au/building)

## Compliance with the Australian Government Building and Construction OHS Accreditation Scheme (where appropriate)

The Australian Government Building and Construction OHS Accreditation Scheme (the Scheme) is established under the provisions of Building and Construction Industry Improvement Act 2005 and is designed to improve health and safety in the building and construction industry. The Scheme operates such that, subject to certain thresholds, only head contractors who are accredited under the Scheme can enter into contracts for building work funded by the Australian Government.

### *Thresholds*

The following thresholds apply when the state or territory government, or similar, is the client (i.e. projects indirectly funded by the Australian Government):

- the Australian Government contribution to the project value is at least \$10 million; or
- the Australian Government contribution is at least \$5 million and represents at least 50 per cent of the total project value.

In addition to the above thresholds, the requirement that accredited builders carry out the building work only applies where the value of the building and construction activity undertaken by the head contractor equals or exceeds \$3 million.

All proposals that exceed the threshold values and meet the additional head contractor building work value will need to provide evidence demonstrating the accreditation of the head contractor.

More information about the Australian Government Building and Construction OHS Accreditation Scheme can be found at [www.fsc.gov.au](http://www.fsc.gov.au)

### Projects managed or owned by the private or not-for-profit sector

The Commonwealth will be encouraging proposals where the social housing dwellings constructed through this initiative are either managed or owned by a private or not-for-profit organisation. In these cases, the proposal will need to demonstrate the capacity of the housing provider to deliver and maintain tenancies in accordance with minimum State or Territory standards. The organisation will also be required to enter into a service agreement with the relevant State or Territory to ensure that certain service standards are maintained.

## PART 4 - NEW CONSTRUCTION (STAGE 1)

### Objectives

In addition to the objectives outlined in Part 1 above, Stage 1 has been established to fund social housing projects that are already in jurisdictions' development pipelines and can be brought forward to commence in 2009 and be completed before 30 June 2010. This includes projects for both the public and community sectors.

### Additional Requirements

Consistent with paragraph C.14 of the NPA, jurisdictions must be able to demonstrate that proposals for Stage 1:

- (a) have or will have the necessary planning approvals and are able to commence works in 2009; and
- (b) will be completed by no later than 30 June 2010.

### Notional Funding Allocation

The following notional funding allocations will be available to States and Territories for Stage 1 of the New Construction element of the NPA on the NBJP.

Jurisdiction	2008-09 \$	2009-10 \$	TOTAL \$
<b>NSW</b>	\$19,560,000	\$206,034,000	<b>\$225,594,000</b>
<b>VIC</b>	\$14,873,000	\$156,659,000	<b>\$171,532,000</b>
<b>QLD</b>	\$12,014,000	\$126,551,000	<b>\$138,565,000</b>
<b>WA</b>	\$6,073,000	\$63,971,000	<b>\$70,044,000</b>
<b>SA</b>	\$4,497,000	\$47,369,000	<b>\$51,866,000</b>
<b>TAS</b>	\$1,399,000	\$14,732,000	<b>\$16,131,000</b>
<b>ACT</b>	\$967,000	\$10,180,000	<b>\$11,147,000</b>
<b>NT</b>	\$617,000	\$6,504,000	<b>\$7,121,000</b>
<b>TOTAL</b>	<b>\$60,000,000</b>	<b>\$632,000,000</b>	<b>\$692,000,000</b>

The notional funding allocation amounts are based on a per capita calculation using population data as of 30 June 2008 from the ABS publication "3101.0 - Australian Demographic Statistics" published 2/12/08.

Jurisdictions will be granted the level of funding detailed above to support new social housing projects under Stage 1 provided they are able to submit proposals within the specified timeframes that meet the key requirements outlined in these guidelines. The Commonwealth reserves the right to reallocate the notional funding for a jurisdiction to another jurisdiction where these conditions are not met.

## **Procurement Requirements**

As Stage 1 has been established to fund projects that are already in the development pipeline, it is expected that procurement processes for projects to be funded under this Stage will either be completed or will have already commenced. Jurisdictions will be required to report on these processes when they lodge their proposals.

## **Proposal Requirements**

Jurisdictions should submit proposals using the template provided by the Commonwealth. This will ensure that consistent information is provided across all jurisdictions and enable the Commonwealth to assess proposals against the key criteria on a national basis. Templates will be provided to Social Housing Coordinators in each jurisdiction at least two weeks prior to the proposal lodgement date.

While the template has been set up to collect proposal information on a dwelling by dwelling basis, jurisdictions may wish to group projects within particular suburbs/towns/regions where address information is unknown at the time of the proposal lodgement. Jurisdictions will need to liaise with the Commonwealth if they wish to adopt this approach to ensure that any grouping of dwellings within a single project still complies with the requirements established by the Commonwealth for the selection and approval process.

Jurisdictions will be able to submit proposals for funding that exceed their notional funding allocation. In this case, the jurisdiction must clearly prioritise the projects in their proposal. The proposal will need to firstly identify the projects that the jurisdiction is seeking funding for within their notional allocation and secondly prioritise any remaining projects they wish the Commonwealth to consider should any additional funding become available.

After proposals are agreed, jurisdictions may substitute dwellings and projects for other dwellings and projects as needed, and by agreement with the Commonwealth.

## **PART 5 - NEW CONSTRUCTION (STAGE 2)**

### **Objectives**

Stage 2 is the major component of the NPA on the NBJP and aims to achieve a significant increase in the number of social housing dwellings in Australia. Jurisdictions will be required to undertake a competitive procurement process to identify proposals for funding which will include public, community and other new or innovative social housing models.

#### Developing the not-for-profit sector

Consistent with the reform directions agreed between the Commonwealth and the States and Territories in the NPA on the NBJP and also through the new National Affordable Housing Agreement, the Commonwealth is seeking to improve the capacity of the not-for-profit sector through the Social Housing Initiative.

In order to maximise the leveraging of Commonwealth funding that can be achieved in terms of additions to social housing stock, the Commonwealth is aiming to improve the capacity of the not-for-profit sector to borrow against their assets so that they can expand their operations. The Commonwealth will be looking to the Initiative as an opportunity to increase the number of growth providers and provide opportunities for existing growth providers to expand. To achieve this, the Commonwealth in consultation with jurisdictions will be aiming for a significant number of the dwellings that are funded under this stage to be owned by the not-for-profit sector..

The Commonwealth acknowledges that the capacity of the not-for-profit sector to support this increase in housing stock and meeting the needs of high priority public housing applicants will vary from jurisdiction to jurisdiction and even from region to region. A progressive approach to achieving this aim will need to be established to enable jurisdictions to work closely with the sector to improve their capacity over time. This will be managed in conjunction with the COAG agreed reforms related to the not-for-profit sector including the integration of public and community housing waiting lists and the introduction of a national regulatory system.

Targets for not-for-profit sector owned and managed housing stock that is constructed under Stage 2 may be negotiated with each jurisdiction.

While jurisdictions will be encouraged to transfer the ownership of dwellings to the not-for-profit sector where appropriate, jurisdictions will need to retain appropriate security over the property to protect the Commonwealth's investment and continuing use of the property to house high priority public housing tenants. This might be achieved by jurisdictions registering an interest in the property while still enabling the not-for-profit organisation to leverage the equity they will have in that property. Jurisdictions will also be required to put service agreements in place for each dwelling owned by the not-for-profit sector to ensure the quality of the service standards under State or Territory supervision.

#### Promoting mixed communities

Consistent with the reform directions agreed between the Commonwealth and the States and Territories in the NPA on the NBJP and also through the new National Affordable Housing Agreement, the Commonwealth will be working with jurisdictions to ensure that housing projects funded under the Social Housing Initiative support the establishment of

mixed communities that promote social and economic opportunities for tenants. The Commonwealth may seek additional information from jurisdictions on how this will be achieved for large scale projects that are submitted for consideration.

### Target Groups

In approving proposals for funding under Stage 2, the Commonwealth will be aiming to fund a wide variety of social housing projects that target high needs tenants.

All housing funded under this Initiative will be used to meet the needs of high priority applicants on public housing waiting lists. Proposals should specify what high needs tenant groups the proposed social housing is designed to accommodate. The priority group for the Commonwealth will be persons who are homeless or at risk of homelessness, however proposals that support older persons, persons with disability, indigenous persons, women and children escaping domestic violence and families with low income will also be looked upon favourably.

### Job Creation

The NPA on the NBJP has a primary objective of timely economic stimulus aimed at improved nation building and supporting economic growth and jobs. The Commonwealth will require all proposals to identify the estimated number of jobs that will be directly supported through the social housing project. In addition to this information, the Commonwealth will be seeking details on whether a project will support the employment of apprentices and trainees or target the employment of Indigenous persons. Where projects meet the key selection criteria, priority may be given to projects that specifically support and target the engagement of Indigenous employees.

### Construction of new dwellings

As a primary objective of the NPA on the NBJP is to generate economic activity in the building and construction sector, proposals will need to be for the construction of new dwellings. This will support jobs and have flow on benefits to other sectors.

Housing projects that have obtained the necessary planning approvals but have stalled due to lack of finance will meet this requirement.

### Small and Medium Enterprises

The Commonwealth will also aim to ensure that projects funded under the Initiative will provide opportunities for small and medium enterprises to benefit from the significant investment. Proposals will need to identify whether small and medium enterprises will be involved in the construction of dwellings.

## Additional Requirements

In addition to the key requirements set out in Part 2 of these guidelines, jurisdictions must be able to demonstrate that:

- (a) a significant number of proposals will be able to commence in 2009; and
- (b) 75% of dwellings under both Stage 1 and Stage 2 will be completed by no later than 31 December 2010.

## Notional Funding Allocation

The following notional funding allocations will be available to States and Territories for Stage 2 of the New Construction element of the NPA on the NBJP.

Jurisdiction	2009-10 \$	2010-11 \$	2011-12 \$	TOTAL \$
<b>NSW</b>	\$1,055,492,000	\$568,141,000	\$101,640,000	<b>\$1,725,273,000</b>
<b>VIC</b>	\$803,275,000	\$432,380,000	\$77,352,000	<b>\$1,313,007,000</b>
<b>QLD</b>	\$649,816,000	\$349,778,000	\$62,575,000	<b>\$1,062,169,000</b>
<b>WA</b>	\$329,183,000	\$177,190,000	\$31,699,000	<b>\$538,072,000</b>
<b>SA</b>	\$241,833,000	\$130,172,000	\$23,288,000	<b>\$395,293,000</b>
<b>TAS</b>	\$75,041,000	\$40,392,000	\$7,226,000	<b>\$122,659,000</b>
<b>ACT</b>	\$52,109,000	\$28,049,000	\$5,018,000	<b>\$85,176,000</b>
<b>NT</b>	\$33,251,000	\$17,898,000	\$3,202,000	<b>\$54,351,000</b>
<b>TOTAL</b>	<b>\$3,240,000,000</b>	<b>\$1,744,000,000</b>	<b>\$312,000,000</b>	<b>\$5,296,000,000</b>

The notional funding allocation amounts are based on a per capita calculation using population data as of 30 September 2008 from the ABS publication "3101.0 - Australian Demographic Statistics" published 18/03/09.

Jurisdictions will be entitled to receive their full notional funding allocation to support new social housing projects under Stage 2 provided they are able to submit proposals within the specified timeframes that meet the key requirements outlined in these guidelines. The Commonwealth reserves the right to reallocate the notional funding for a jurisdiction to another jurisdiction where these conditions are not met.

## Procurement Requirements

Consistent with the agreed reform directions outlined in the NPA on the NBJP related to improved procurement practices and participation opportunities, these guidelines advise jurisdictions on the key requirements that should be incorporated into procurement processes. The guidelines do not specify the type of processes that jurisdictions should employ as it is assumed that States and Territories will run processes that comply with their own probity requirements. However, jurisdictions will need to be mindful of the timeframes that have been agreed in the NPA on the NBJP. The short periods in which

the new social housing dwellings are expected to be established may mean that traditional procurement processes may not be the appropriate method for seeking all proposals.

The NPA on the NBJP requires that jurisdictions undertake a competitive process to determine suitable social housing projects to be funded through Stage 2 of the New Construction element of the Social Housing Initiative. This requirement was included to ensure that proposals are cost effective but also to provide opportunities for existing not-for-profit housing providers, builders, developers and other interested stakeholders to participate in the Initiative.

The requirement to undertake a competitive process does not mean that procurement needs to be through a single tendering process. It is possible for jurisdictions to run a range of processes that deliver value for money as well as competition, and to create maximum flexibility and responsiveness to markets.

As an example, a jurisdiction may wish to target a set percentage of their notional funding allocation towards the purchase of “off the plan” dwellings that have received all the necessary planning and development consents but where development may have stalled due to a lack of finance. A conveyance model incorporating an Expression of Interest process may be more appropriate for identifying such developments and is likely to deliver the social housing in a shorter period. A set percentage could be earmarked to identify non-government projects focussing on innovative solutions perhaps through an open tender process. Another amount could be set aside to fund projects, through pre-existing panels, where it can be demonstrated that critical needs can only be met through such an approach such as where specialist skills may be required to deliver dwellings that meet particular specifications.

Jurisdictions should seek the Commonwealth's approval before they undertake any procurement processes to seek proposals for funding under this Stage. The Commonwealth's approval will be contingent upon the jurisdictions providing a procurement plan summarising the procurement arrangements to be employed and demonstration that these arrangements comply with the procurement requirements detailed in these guidelines. A template has been provided at [Attachment A](#) to assist jurisdictions in providing this information and jurisdictions should provide their procurement plan to the Commonwealth no later than 15 April 2009.

Where a jurisdiction may have already completed or commenced a procurement process for this Stage, the jurisdiction must provide to the Commonwealth a summary of the process employed and how this complies with the requirements in these guidelines. Where it is apparent that these processes did not comply with the requirements, jurisdictions may be asked to seek additional information from successful proponents to ensure adherence to the requirements.

In conducting any procurement process for Stage 2, jurisdictions will need to ensure that proponents are required to provide information that enables the Commonwealth to assess proposals against the key criteria that has been established. The key criteria are outlined at [Attachment B](#).

## **Proposal Requirements**

Jurisdictions will be required to provide the Commonwealth with a summary of each proposal received through their various procurement processes using the template

provided by the Commonwealth. This will ensure that consistent information is provided across all jurisdictions and enable the Commonwealth to assess proposals against the key criteria on a national basis.

Templates will be provided to Social Housing Coordinators in each jurisdiction no later than 17 April 2009. The proposal template will comprise of two parts. Part 1 will relate to information about the dwelling that demonstrates compliance with the key criteria. This information could be either completed by the proponent or the jurisdiction depending on the procurement arrangements adopted by each jurisdiction and will reflect the information outlined in the Proposal Summary Sheet which is included at Appendix 1 of Attachment B to these guidelines. Part 2 will relate to information that will specifically need to be completed by the jurisdiction including assessment and prioritisation details.

Actual proposals will not need to be provided to the Commonwealth however jurisdictions will be required to provide the Commonwealth with access to the proposals if necessary to enable the Commonwealth to undertake its approval process.

In addition to the proposal template, jurisdictions will be required to provide a summary of the procurement outcomes that resulted from the processes employed by the jurisdiction. The summary will need to cover the following for each separate process:

- how many proposals were received;
- how many proposals were compliant;
- how many proposals were assessed as suitable;
- an outline of the reasons why other proposals were assessed as being unsuitable;
- a summary of the suitable proposals including information on the nature of proponents, value of projects, types of projects etc; and
- an explanation of the priority ordering determined by the jurisdiction, clearly outlining the criteria that were applied.

The Commonwealth may also seek further information on other aspects of the proposals that are not captured through the template. The Commonwealth will advise jurisdictions of any such requirements at least six weeks prior to the lodgement date for proposals.

While the template will be set up to collect proposal information on a dwelling by dwelling basis, jurisdictions may wish to put forward projects within particular suburbs/towns/regions where address information is unknown at the time of the proposal lodgement. Jurisdictions will need to liaise with the Commonwealth if they wish to adopt this approach to ensure that any grouping of dwellings within a single project still complies with the requirements established by the Commonwealth for the selection and approval process.

Unlike Stage 1 where jurisdictions selectively chose the proposals that they put forward to the Commonwealth for consideration, jurisdictions will be required to provide the Commonwealth with information for all proposals received through its agreed procurement processes for Stage 2. Jurisdictions will be asked to prioritise these proposals, firstly identifying those that they are seeking funding for within their notional allocation and secondly prioritising any remaining projects they wish the Commonwealth to consider should any additional funding become available.

## **PART 6 - LINKAGES WITH OTHER COMMONWEALTH HOUSING PROGRAMS**

### **National Rental Affordability Scheme (NRAS)**

Proposals where a proponent or applicant is seeking funds for social housing dwellings using Stage 2 funding and where the proponent is also seeking NRAS subsidies for other dwellings in a mixed proposal are encouraged and may receive preferential weighting in State and Territory assessments. This will enable increased leveraging of Commonwealth funding to assist in achieving the separate targets of 20,000 dwellings under the NPA on the NBJP and 50,000 NRAS properties.

NRAS proposals will be separately assessed under NRAS guidelines, as will proposals for funding under this stage of the Social Housing Initiative, however the Commonwealth will make decisions on such proposals for both funding sources at the same time.

Funding from the Social Housing Initiative can not be used as a capital contribution on a dwelling that will also seek an NRAS subsidy. It will be possible, however, for proponents to leverage the equity that they may gain through funding provided under the Initiative to assist in securing finance for NRAS properties. We strongly encourage proposals where a proponent or applicant is seeking funds for social housing dwellings using Stage 2 funding and where the proponent is also seeking NRAS subsidies for other dwellings in a mixed proposal.

Proposals for Stage 2 will need to identify where that proposal will also be linked to a separate NRAS proposal and will clearly need to indicate whether the viability of the NRAS proposal is contingent on funding being provided through the Social Housing Initiative.

### **Social Housing Growth Fund**

The Social Housing Growth Fund has been established through the National Partnership Agreement (NPA) on Social Housing which was agreed by the Council of Australian Government in November 2008.

While the Social Housing Growth Fund has been established to directly fund new social housing dwellings, its key objectives are slightly different to those under the NPA on the NBJP. For this reason, separate selection and assessment processes will be employed by the Commonwealth to select proposals under each NPA.

Jurisdictions may only seek funding for a particular project under both NPAs where they are able to submit clearly distinguishable proposals in accordance with the required timeframes for each NPA and where these proposals will not be contingent on the success of the other. For example, a jurisdiction may wish to establish 20 social housing dwellings in a particular housing development. It would be appropriate for the jurisdiction to submit a proposal for 10 of these dwellings under the Social Housing Growth Fund and another proposal for 10 dwellings under the Social Housing Initiative.

## **PART 7 - APPROVAL PROCESS**

Jurisdictions are required to lodge proposals with the Commonwealth in accordance with the timeframes outlined in Part 2 of these guidelines. As indicated in Part 5, jurisdictions may also lodge proposals with the Commonwealth prior to the lodgement date subject to the jurisdiction consulting with the Commonwealth on appropriate arrangements where this approach is to be pursued.

The Commonwealth will undertake an initial assessment of the proposals lodged by jurisdictions using information provided in the templates. If necessary, the Commonwealth may also request jurisdictions to provide access to actual proposals to assist in undertaking its assessment.

The assessment will be primarily against the key criteria however other factors will be considered including jurisdiction's priority needs, the distribution of proposals across jurisdictions, models of delivery and the ability of projects to support the reform directions agreed in the NPA on the NBJP. The Commonwealth will consult with each jurisdiction before making final decisions on which proposals should be recommended for funding to the Minister for Housing.

The Minister for Housing will be responsible for approving all proposals for funding under the Social Housing Initiative. Once approvals have been granted, the Minister will write to the appropriate Minister in each jurisdiction seeking agreement to the inclusion of a Schedule, which outlines the approvals, in the Implementation Plan that was previously agreed. In some cases, the Schedule will be proposed as an amendment to an existing Schedule for example where proposals for funding under either Stage 1 or Stage 2 funding have been previously approved and included in the Implementation Plan.

## **PART 8 - Administration**

### **Funding Arrangements**

#### Payments

Payment arrangements for Stage 1 and Stage 2 proposals will be outlined in the relevant Schedule to the implementation plan. As a general principle, payments will be made to jurisdictions on a monthly basis in equal instalments however jurisdictions will be able to negotiate with the Commonwealth to implement alternate arrangements where appropriate. This may be necessary for example if a particular project involves the purchase of land upfront. Jurisdictions will be responsible for managing payments to contractors in line with their normal practices which would generally be on the basis of achievement of agreed milestones.

#### Expenditure

Jurisdictions will be required to spend or commit by 30 June each year all funding that was allocated to the jurisdiction in that financial year through the Social Housing Initiative. Where financial statements indicate that this has not been achieved, the Commonwealth may elect to recover and reallocate the funding to other proposals.

### **Reporting Arrangements**

A reporting framework has been established for the Social Housing Initiative in consultation with jurisdictions and is included as Attachment C to these guidelines. Jurisdictions will need to provide the required reports at the times outlined in the Implementation Plan in the format agreed through the agreed reporting framework.

### **Monitoring Arrangements**

As a condition of funding, jurisdictions have agreed to undertake appropriate monitoring to ensure that all dwellings constructed through the Social Housing Initiative comply with the requirements of the Australian Building Code and other jurisdictional regulations to make certain that dwellings are of a high standard. Where jurisdictions determine that a funded project is not compliant with these requirements, the jurisdictions must take immediate action to ensure compliance.

Jurisdictions will need to ensure that compliance with these requirements and the jurisdiction's authority to monitor compliance and take action if necessary forms part of any contractual or other agreement with any organisation that will receive funding under the Initiative.

## Social Housing Initiative

### Element 1 – New Construction (Stage 2)

#### State/Territory Procurement Plan (Template)

##### Overview

- Provide a brief overview of the procurement processes that the jurisdiction proposes to employ to identify suitable proposals for Stage 2.
- Complete the following Summary Table:

Procurement Approach	Percentage of dwellings to be acquired using this approach	Number of dwellings to be acquired using this approach	Expected average cost of dwellings	Total expected cost
<b>TOTAL</b>				

##### Detailed Information

For each type of procurement arrangement (open tender, select tender, expression of interest, preferred provider etc), please provide the following details.

- Describe the procurement arrangement including how it will be advertised and whether it has been targeted to particular organisations etc?
- Why has this procurement model been chosen?
- Over what period will the procurement process operate?
- How have the key requirements outlined in these guidelines been incorporated into the procurement process?
- How will value for money be determined for this procurement process?

## Social Housing Initiative

### Element 1 – New Construction (Stage 2)

#### Selection Criteria

##### Overview

The purpose of this document is to outline the key criteria against which the Commonwealth will assess proposals for funding under the New Construction (Stage 2) element of the Social Housing Initiative. Although the Commonwealth's assessment will be primarily against the key criteria other factors will also be considered in the selection process. This includes an overarching priority for the Commonwealth to support the construction of dwellings in the shortest time feasible and enable high priority applicants on public housing waiting list to acquire suitable accommodation. The Social Housing Initiative Guidelines outline some of the other features that the Commonwealth will be looking for when it makes funding decisions.

All proposals for funding under Stage 2 will need to clearly demonstrate how the social housing project(s) put forward meet the following key criteria:

##### Criteria

1) Increase the supply of social housing dwellings in a jurisdiction

Proposals will need to demonstrate that they increase the supply of social housing. Where a proposal involves a major redevelopment of existing social housing, the proposal should result in an increase in social housing dwelling numbers.

2) Increase the allocation of housing to people with highest needs on public housing waiting lists

Proposals will need to demonstrate what high needs tenant groups the proposed social housing is designed to accommodate. The priority group for the Commonwealth will be persons who are homeless or at risk of homelessness and proposals that support the transition of such persons to secure, long term accommodation will receive precedence. Proposals will need to outline how the proposed project will assist in housing key homeless client groups, or clearly articulate how the proposals will free up other existing social housing for them.

Proposals that support older persons, persons with disability, indigenous persons, women and children escaping domestic violence and families with low income who are high priority applicants for public housing will also be looked upon favourably.

### 3) Meet universal design standards

All proposals will be assessed against universal design principles that facilitate better access for persons with disability and older persons where appropriate.

Universal design is a relatively new concept that emerged from “barrier-free” or “accessible design” and “assistive technology”. Barrier free design and assistive technology provide a level of accessibility for people with disability but they also often result in separate and discriminating solutions, for example, a ramp that leads to a different entry to a building than a main stairway.

Universal design strives to be a broad-spectrum solution that helps everyone, not just people with disabilities.

The overarching and priority objective of the Initiative is to quickly commence construction activity.

#### **Requirements**

New dwellings funded through Stage 2 should, where possible, incorporate the following minimum universal design elements to make properties more accessible to people who are ageing or live with disabilities:

- a) Installation of grab rails in bathrooms and toilets or the incorporation of reinforced wall framing to allow future installation.
- b) Hobless/step free shower recess (threshold less than 5mm in height or bevelled edges) and adjustable/detachable hand held shower rose.
- c) Internal doorways on the entrance level having a minimum clear opening of 820mm and minimum corridors of 1000mm or wider clear of fixtures.
- d) A bench area in the kitchen that adjoins the oven and cook top to allow easy placement of hot pots and pans and includes a power point within 300mm of the front of the bench.
- e) Door handles to be lever style and tap hardware to be lever or flick mixer style.
- f) Light switches to be located near doorways at a height between 900mm and 1100mm and if possible large format style.

Where dwellings are unable to meet all of these requirements, the proposal must clearly outline why these may not be achievable. Dwellings may be exempt from meeting these requirements where incorporation of these features would result in excessive delay to the delivery of projects.

#### **Additional Requirements**

In addition to the minimum requirements outlined above the Commonwealth has set a target of achieving a higher level of adaptability in 20 per cent of the dwellings that

are to be constructed through Stage 2. These dwellings should meet the Australian Standard for Adaptable Housing AS4299-1995, Class C. In order to achieve this target, the Commonwealth will give priority to proposals where this standard is able to be met.

#### 4) Meet minimum Environmental standards

All proposals are required to meet specified environmental standards to reduce living costs for the tenants that will occupy the social housing constructed under the Initiative. All dwellings in each proposal should, where possible, incorporate the following environmental features:

##### a) Attainment of a 6 star energy rating

Houses (including attached houses) and New Apartments should achieve a six star energy efficiency rating. The Energy Efficiency Rating must be determined for each dwelling using accredited Nationwide House Energy Rating Scheme (NatHERS) software by a person who is either:

- Accredited by the Association of Building Sustainability Assessors (ABSA); or
- recognised as a House Energy Rating Assessor by the relevant authority in the state or territory of construction; or
- in states or territories that do not have a register of assessors, the person must be able to show suitable evidence of training in the use of the accredited NatHERS software.

If the proposal is not rated as 6-star, an explanation of why 6-star is not appropriate or achievable must be provided.

A compliant output report from an accredited NatHERS software tool should be provided for each dwelling included in any proposal. There are currently three accredited software tools that may be used to generate the rating as follows:

- AccuRate
- BERS Professional
- FirstRate 5

Further information is available at [www.nathers.gov.au](http://www.nathers.gov.au).

To achieve the 6-star rating dwellings are expected, where possible, to include appropriate:

- i. insulation (at least equal to the deemed-to-satisfy provisions of the Building Code of Australia 2008)
- ii. energy efficient glazing - windows will be required to have high levels of thermal performance specific for the location such as low-e coatings, double glazing, tinted glazing and/or thermally improved frames as appropriate and be rated under the Window Energy Rating Scheme (WERS)

- iii. draught proofing of windows and doors, where appropriate
- iv. shading (e.g. of eastern or western facing windows)

Proposals will need to indicate whether these features have been achieved.

b) Energy Efficient Lighting

Fluorescent or LED lighting should be used wherever possible. Traditional incandescent lights and low voltage halogen lights are not allowed. Mains voltage halogen lights should only be approved where control systems such as dimmers and motion sensors are required.

c) Hot Water Systems

For houses including attached houses - a solar or heat pump hot water system that is eligible for Renewable Energy Certificates (RECs) at the time and place of installation should be installed.

For apartments, a solar or heat pump or a five star gas system should be installed. Where proponents specify a more greenhouse intensive hot water system (for example an electric storage heater), they must justify why a less greenhouse intensive hot water system could not be used. Shared central systems will be allowed where appropriately designed and installed.

Only water-efficient showerheads (minimum WELS 3 Star) can be installed.

d) Ventilation

In all dwellings, exhaust fans in kitchens and bathrooms must include closing mechanisms when not in use.

e) Water tanks

Water tanks must be installed in all dwellings where appropriate and comply with the following requirements:

- i. The tank(s) must have a minimum capacity of 2,000 litres and maximise roof capture (preferably to 80% where possible).
- ii. The rainwater tanks must be plumbed into the house for use in the laundry and/or toilets.
- iii. The rainwater tanks must meet Australian standards and must be installed by a licensed plumber in accordance with any applicable standards, regulations and guidelines.

Where it is not possible for a dwelling to achieve a 6 star energy rating, a minimum energy rating of 5 stars must be achieved and the dwelling should incorporate all of the environmental features listed from b) to e) above unless there are legitimate reasons why these features cannot be achieved, for example because of health reasons or non-suitability for the particular region in which the dwelling is located.

5) Proximity to services

To ensure improved social and economic opportunities for tenants, all proposals will need to demonstrate that dwellings will be located close to relevant services. Proposals will need to indicate the proximity of dwellings to services and amenities that are relevant to the needs of the proposed tenants. These will include transport, schools, shops, health services and employment opportunities.

6) Leverage additional building activity

A key objective of the Social Housing Initiative is to stimulate the building and construction industry. Priority will be given to proposals that also leverage additional building activity beyond that being directly funded through the Social Housing Initiative.

Where a proposal funded through the Social Housing Initiative will also directly lead to additional social or non-social housing being built, the proposal should clearly demonstrate how this will be achieved. For example, a proposal may involve the purchase of a set number of dwellings in a particular housing development which may have stalled for financial reasons. The Government's investment may enable the development to proceed and result in additional dwellings being built beyond those directly funded through the Social Housing Initiative proposal.

7) Sound Proofing

All dwellings constructed through this Initiative will be expected to comply with the standard sound proofing requirements that apply in the relevant jurisdiction and local government area. In particular, dwellings designated as Class 2 buildings or Class 9c aged care buildings under the Building Code of Australia must comply with the relevant specifications detailed in part F5 of the code. Proposals that go beyond these requirements may be given priority provided they are clearly able to demonstrate how these standards have been exceeded.

## **Summary Information**

A summary information sheet is provided at Appendix A that outlines the key information that will need to be included in any proposal that is seeking funding through the Social Housing Initiative. The summary sheet provides basic information on the proposal plus information that is directly relevant to the key criteria against which the Commonwealth will assess proposals.

The need to complete this summary sheet by proponents will depend on the State and Territory in which the proposal is being submitted. Some jurisdictions will require this summary sheet to be completed and lodged as part of the procurement documentation while other jurisdictions will acquire this information directly from the documentation submitted by the proponent. Proponents will need to check with each jurisdiction to determine the arrangements for that jurisdiction. Regardless of the arrangement, proposals should clearly provide the information outlined in the summary sheet in their submitted documentation.

## Social Housing Initiative - Proposal Summary Sheet

Proponent's detail	<i>Please outline details of the proponent. If the proponent is a consortium, please include details of consortium members and identify which members is the lead organisation.</i>	
Proposal Summary	<i>Please include a brief summary of the proposed social housing project. If the proposal involves a new innovative social housing model, please outline how this model differs from traditional social housing.</i>	
Dwelling Numbers	<i>Please specify the total number of dwellings to be developed</i>	
	<i>If the proposal involves the redevelopment of existing social housing, please specify the net number of new dwellings to be established through the project</i>	
Dwelling Numbers by type of dwelling and capacity	<i>Please specify the number of each type of dwellings to be developed (eg House, Townhouse, Unit etc) split by the number of bedrooms in each dwelling</i>	
	House	1 bedroom
		2 bedroom
		3 bedroom
		4 bedroom
		5+ bedroom
	Townhouse	1 bedroom
		2 bedroom
		3 bedroom
		4 bedroom
		5+ bedroom
	Unit / Flat	1 bedroom
		2 bedroom
		3 bedroom
		4 bedroom
		5+ bedroom
	Other	1 bedroom
		2 bedroom
		3 bedroom
		4 bedroom
	5+ bedroom	
Address Details	<i>Please include address details if known. As a minimum, suburb and postcode information must be provided</i>	
Planning Status	<i>Provides the status of any planning approvals required for the project</i>	

Total Cost of Proposal	Total Land Cost (A)	<i>Include where relevant</i>
	Total Construction Cost (B)	
	Total Cost (A) + (B)	
Projected Start Date	<i>dd/mm/yyyy</i>	
Projected Finish Date	<i>dd/mm/yyyy</i>	
Dwelling Ownership	<i>If known, provide details of who will own the dwellings once they are completed and available for rent by social housing tenants</i>	
Tenancy Management	<i>If known, provide details of who will have responsibility for tenancy management</i>	
	<i>If the tenancy manager will be either a private or not-for-profit organisation, please demonstrate the capacity of the manager to deliver and maintain tenancies in accordance with the minimum standards in the relevant State or Territory</i>	
Target Group	<i>Dwellings must be targeted to the needs of high priority applicants on public housing waiting lists. Please identify whether dwellings will be targeted to any of the following disadvantaged groups and provide details where appropriate</i>	
	Persons who are homeless or at risk of homelessness	Yes / No
	Women and Children escaping domestic violence	Yes / No
	Older Persons	Yes / No
	Persons with Disability	Yes / No
	Indigenous Persons	Yes / No
	Other people who are a high priority on public housing waiting lists	Yes / No
	Universal Design	<i>Please indicate the number of dwellings that will adhere to minimum Universal design requirements that are outlined in the Social Housing Initiative Guidelines issued by the Australian Government</i>
<i>Please indicate the number of dwellings that will meet the Australian Standard for Adaptable Housing AS4299-1995, Class C.</i>		
Energy Rating	<i>Please indicate the number of dwellings that will achieve the following Energy Efficiency Ratings.</i>	
	6 Star	

	5 Star	
	1 - 4 Star	
Energy Efficient Features	<i>Please indicate the number of dwellings that will include the following Energy Efficient Features.</i>	
	Solar or Heat Pump hot water system (eligible for Renewable Energy Certificates)	
	Energy Efficient Lighting	
	Closing mechanisms in exhaust fans	
	Water Tank/s (at least 2000 litres capacity) plumbed into either a laundry or toilet	
	<i>If there are extenuating circumstances as to why any of the above features cannot be incorporated into a dwelling, please outline what these are</i>	
	<i>Please specify and indicate the number of dwellings that will include other water savings measures.</i>	
	<i>Describe measure</i>	
	<i>Describe measure</i>	
	<i>Describe measure</i>	
Access to Public Transport	<i>Please indicate the number of dwellings that will be located within 1 km from the nearest public transport</i>	
Work Opportunities for Tenants	<i>Please indicate the number of dwellings that will be located within 10 km of a business district or regional centre</i>	
Job Creation	<i>Please provide an estimate of the average daily number of onsite workers for the duration of the project</i>	
Opportunities for Small and Medium Enterprises	<i>Please indicate whether the proponent is a small or medium enterprise (defined as firms with less than 200 full time equivalent employees and/or less than \$10 million turnover (ABS)).</i>	
	<i>Please indicate the number of small or medium enterprises that will be engaged to undertake the proposed project</i>	
Apprenticeship Opportunities	<i>Please indicate the expected number of apprenticeship or traineeship positions that will be generated as a result of this project</i>	
	Apprenticeships	
	Traineeships	
Employment of Indigenous Persons	<i>Please indicate if this project will target the employment of Indigenous person</i>	
	<i>If Yes, please provide an estimate of the average daily number of onsite Indigenous workers for the duration of the project</i>	
Compliance with the National	<i>If the proposal is seeking of \$5 million or more (and this</i>	

Building Code of Practice for the Construction Industry	<i>represents at least 50% of the total construction value) or is \$10 million or more the proponent must provide an undertaking to apply the Code and Guidelines to the project</i>
Compliance with the Australian Government Building and Construction OHS Accreditation Scheme	<i>If the proposal is seeking funding of \$5 million or more (and this represents at least 50% of the total construction value) or is \$10 million or more and the head contractor's work under the project will be at least \$3 million, the proponent must provide evidence that the head contractor is accredited under the Scheme</i>
Leveraging additional building activity	<i>If the proposal will also directly lead to additional housing being built, please indicate the number of dwellings that will result and explain how this will be achieved</i>
Linkages with the National Rental Affordability Scheme	<i>If the proposal will also be linked to a proposal to be funded under the National Rental Affordability Scheme, please provide details on the relationship between the two proposals</i>

# SOCIAL HOUSING INITIATIVE

## REPORTING FRAMEWORK

### Overview

The Nation Building – Economic Stimulus Plan - Social Housing Initiative is a substantial commitment by the Commonwealth Government and State and Territory Governments to significantly increase the supply of social housing throughout Australia and provide much needed accommodation to many disadvantaged Australians, particularly those who are homeless or at risk of becoming homeless. It supports existing initiatives that have previously been agreed by the COAG in November 2008 to improve social and indigenous housing and reduce homelessness.

Through this initiative the Commonwealth will commit funding of \$6.4 billion over the years 2008-09 to 2011-12. Over this period, around 20,000 additional social housing dwellings will be built together with more than 2,500 existing social housing dwellings being refurbished so that they can remain available for occupancy, further increasing the net social housing stock.

Funding will be allocated to states and territories generally on a per capita basis, subject to jurisdictions submitting suitable proposals, achieving the outcomes and outputs required, and meeting the reporting requirements of the initiative.

The information sought through this reporting framework includes basic information for each jurisdiction on the repairs and maintenance and new construction phases on each dwelling including the nature of the works, dwelling type, funding details and timeframes. The framework also sets out arrangements for the administration and reporting requirements of the Social Housing Initiative.

The purpose of the framework is to assist states and territories to understand the reporting requirements for projects under the Social Housing initiative. The information requested through the reporting framework relates directly to the key requirements in the National Partnership Agreement (Paragraph C18 and C19), and the overarching objective of creating employment.

The information is essential to assess the success of the Initiative against the key requirements including the implementation of reforms and environmental sustainability in the social housing sector. The reporting requirements will facilitate timely, regular advice to governments. Use of this information may include but not limited to:

- a. Reporting to the Coordinator-General, the Department of the Prime Minister and Cabinet, and COAG on overall program progress;
- b. Departmental reporting to the Housing Minister and the Minister for Families, Housing, Community Services and Indigenous Affairs, including progress against key outputs and outcomes by states and territory governments;
- c. Reporting to the Senate at additional estimates;

- d. Analysis on whether projects are meeting delivery timetables and objectives, and also support the provision of advice on possible strategies and interventions to prevent slippages, or to support recommendations about any required reallocation of funding;
- e. Identification of potential issues and constraints across the industry sectors that will be supporting the wider Nation Building – Economic Stimulus Plan; and
- f. Ad-hoc reporting as required.

The reporting requirements will be in place for the duration of the Nation Building – Economic Stimulus Plan.

## **Roles and Responsibilities**

### ***Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)***

The Commonwealth will be responsible for allocating the total agreed level of Commonwealth funds to the States and Territories for the social housing proposals that are approved for funding through the initiative. The Commonwealth will be:

- a. developing and maintaining reporting requirements;
- b. providing of reporting tools and templates; and
- c. analysing data.

### ***States and Territories***

States and Territories will be responsible for:

- a. reporting against the commitments outlined in the National Partnership Agreement and the Implementation Plan, and this reporting framework;
- b. collecting and entering required data for individual dwellings;
- c. validating accuracy of information provided by contractors or other parties;
- d. monitoring each project within Nation Building – Economic Stimulus Plan to ensure they are delivered on time and that they achieve the specified and desired outcomes;
- e. timely identification and advice of program and project slippages;
- f. development of strategies and interventions to rectify the program or project slippages or blockages;
- g. retaining adequate records to demonstrate compliance with obligations under the National Partnership Agreement and Implementation Plan; and
- h. storing and archiving financial books and records in accordance with Australian Accounting Standards.

### ***Reporting Requirements***

Jurisdictions will provide information about each proposal including dwellings to the Commonwealth for appraisal. If the proposal is approved by the Commonwealth it will then become one or more projects including specific dwellings.

Reporting will be required on all projects and individual dwellings that are funded under the Initiative. This will enable the Commonwealth to know exactly what the progress is of all elements of the Social Housing Initiatives. Dwelling by dwelling reporting represents a

shift in the information requirements under existing and previous Agreements, however, never has there been a need to monitor actual progress, timing of construction and impacts on employment and social housing stocks.

Monthly reporting will need to show actual progress against forecasted achievement. Once the baseline information is established for approved projects and dwellings the reporting requirements are to update progress on a regular basis. The Commonwealth will accept progress information by project and will attribute that information to individual dwellings, where appropriate. The Commonwealth intends to collect data from jurisdictions using an agreed set of data items in a standardised format. Where possible the data will be sourced via direct data transfer from existing jurisdictions information management systems to minimise duplication.

### ***Assessment***

Jurisdictions will provide information about each proposal to the Commonwealth for appraisal. Each proposal will have summary level information and if known at the time of lodgement dwelling level information i.e location of the dwelling, environmental and universal design features. If dwelling level information can not be provided with the proposal it will be provided for any approved projects before any work commences. The information required at assessment is detailed in **Appendix 1**. This information will include:

- a. Estimated start and completion dates
- b. Estimated costs per dwelling
- c. Street address for each dwelling
- d. Planned expenditure by quarter for the duration of the project
- e. Estimated jobs directly supported by the project
- f. Planned universal designs included to improve accessibility
- g. Planned environmental sustainability measures included in new dwellings or upgrades, and what star rating the dwellings has achieved
- h. Level of repairs and maintenance to be completed

**Note:** where a project is to build multiple dwellings with the same characteristics, type, size, environmentally sustainability measures etc reporting can be provided at the project level and the Commonwealth will attribute the information to dwelling level.

### ***Frequency of Reporting***

Proposal information will be required to be submitted to the Commonwealth before 30 June 2009, however the Commonwealth will accept proposals before the deadlines.

Dwelling level information for approved projects that was not provided as part of the proposal should be provided before work commences.

### ***Monthly Progress Reporting***

After appraisal of proposals (and in some instances after any additional dwelling level information has been provided for approved projects) once progress begins through to completion and first tenancy monthly progress reporting will be required. Information is required on an individual dwelling level and detailed in **Appendix 1**.

- a. Actual start and end dates
- b. Actual expenditure updated monthly for the current quarter for the duration of the project
- c. Status and progress information
- d. First tenant information in the month after the first tenancy (upon completion)

Certain monthly progress information will only need to be reported once. i.e when a milestone has been achieved i.e site set out completed. Once that information has been reported to the Commonwealth as part of the monthly progress reporting no further updates will be required for that item. Similarly first tenant information plus environmentally and universal design features is required only once.

**Note:** where a project is to build multiple dwellings with the same characteristics, type, size, environmentally sustainability measures etc reporting can be provided at the project level and the Commonwealth will attribute the information to dwelling level.

### ***Frequency of Reporting***

The progress reporting will be required within 21 days of the end of the month, however when the electronic reporting system is established it will enable states and territories to upload information at any time.

### ***Quarterly Outcome Reporting***

At the end of each quarter each jurisdiction will be required to submit a written report which covers the following topics:

- a. review of actual expenditure against planned expenditure across each element – provide reasons elements are not on track and identify strategies to bring those elements back on track;
- b. social housing stock numbers in jurisdiction against baseline established by Treasuries
- c. public housing high needs waiting list and average times people spend on waiting lists
- d. numbers of homeless people accommodated
- e. newsworthy outcomes achieved; and
- f. A selection of before and after graphics / pictures of work progress for example a series of graphics / pictures for a sample of dwellings i.e vacant block, slab down, framework, finished house.

### ***Frequency of Reporting***

Outcome reports will be required monthly within 21 days of the end of the quarter.



Monthly Reporting Requirements: Social Housing

<p><b>Reporting (by proposal or in instances where specified by dwelling if known)</b></p> <p><b>Note: If dwelling specific information is unavailable at the Assessment Stage, this will need to be provided prior to project commencement</b></p>	<p><b>Pre-populated from Assessment Phase</b></p>	<p><b>Required in the First Monthly Report</b></p>	<p><b>Required in Monthly Reports</b></p>	<p><b>Required in the Completion Report</b></p>
Proponent details (including consortia members)	☑			
Leverage this proposal will provide to fund additional social & community housing	☑			
Leverage this proposal will provide to fund additional residential housing	☑			
Proposal builds on HAF funded development	☑			
Proposal intends to seek NRAS subsidies	☑			
Number of dwellings by type and size	☑			
Dwelling information including type, size and address	☑			
Status of planning & approval (select N.A. for R&M unless major work does require development approval) for proposal	☑			
Proposal involves the redevelopment of existing public housing	☑			
Ownership of dwellings upon completion (by proposal)	☑			
Ownership of dwellings will transfer to a community housing organisation (by proposal)	☑			
When ownership will transferred to a community housing organisation (by proposal)	☑			
Tenancy management responsibility (by proposal)	☑			
Total cost (by proposal and dwelling)	☑			
Land cost (by proposal and dwelling)	☑			
Land costs to be funded via National Building Economic Stimulus Plan (by proposal and dwelling)	☑			
Construction cost (by proposal and dwelling)	☑			
Estimate method used (by proposal)	☑			
SME participation in proposal	☑			

## Summary of Data Items

## Appendix 1

<b>Reporting (by proposal or in instances where specified by dwelling if known)</b>  <b>Note: If dwelling specific information is unavailable at the Assessment Stage, this will need to be provided prior to project commencement</b>	<b>Pre-populated from Assessment Phase</b>	<b>Required in the First Monthly Report</b>	<b>Required in Monthly Reports</b>	<b>Required in the Completion Report</b>
Estimated Employment supported by proposal (total, trainees/apprentices and indigenous)	☑			
Proposal estimated Start date - Site set out (for construction)	☑			
Proposal estimated Completion date - Certificate of Occupancy (for construction)	☑			
Proposal expected contracting date	☑			
Universal design upgrades to improve accessibility (by proposal and dwelling)	☑			
Environmental sustainability upgrades (by proposal and dwelling)	☑			
Proposal creates additional housing for target groups (homeless, aged, disability, indigenous and domestic violence)	☑			
Access to Public Transport (by proposal and dwelling)	☑			
Work Opportunities for Tenants (by proposal and dwelling)	☑			
Element (R&M, Construction Stage 1 or 2)	☑			
Estimated expenditure by Quarter (proposal)	☑			
Dwelling purchase method - not for R&M	☑			
Repairs & maintenance to be completed (by dwelling)	☑			
Estimated Repairs & maintenance cost (by dwelling)	☑			
Project commitment		☑	☑	
Actual expenditure (by project)		☑	☑	
Start date - for Construction = site set out (ie. once only when it occurs) or date work started for R&M		☑	☑	
Concrete slab complete (ie. once only when it occurs)			☑	
Practical completion (ie. once only when it occurs)			☑	
Completion date - For Construction = Certificate of Occupancy (ie. once only when it occurs) when work completed for R&M			☑	
First Tenant profile (by dwelling)				☑
Dwelling ownership (by dwelling)				☑
Tenancy management responsibility (by dwelling)				☑
Actual trainees/apprenticeships directly supported by this project (by project)				☑