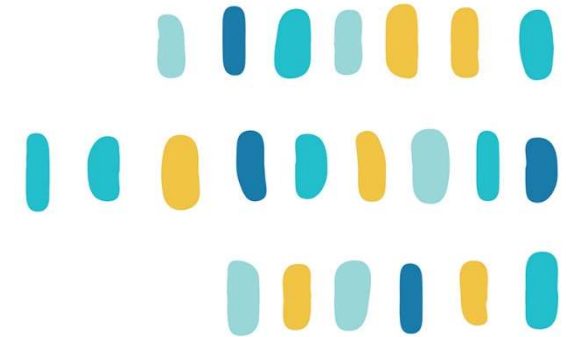




Government of **Western Australia**  
Department of **Communities**



# Social Housing Economic Recovery Package

**June 2020**

# (1) Government's commitment to jobs



- On 7 June 2020, the Premier announced a \$444 million housing stimulus package to boost the building and construction sectors.
- Stimulus includes \$319m for the Social Housing Economic Recovery Package (SHERP)
  - \$97M across 2020-23 to **construct or purchase off-the-plan about 250 dwellings** ready for immediate construction
  - \$141.7M across 2020-22 to deliver **refurbishments to 1,500 existing dwellings** inclusive of \$6M tenant relocation budget; and
  - \$80M in 2020-21 to deliver a targeted **maintenance program for 3,800 housing assets** in the regions.

## (2) SHERP program outcomes



- A 'jobs package'
- Other important social and economic outcomes:
  - More vulnerable West Australians will have a place to call home including those on the priority waitlist
  - Employment opportunity for vulnerable cohorts
  - Refurbishment of supported accommodation facilities including residential group home and crisis accommodation
  - Liveability, sustainability and accessibility of WA's social housing stock.
- SHERP decision making framework underway to ensure jobs, and supporting social and economic outcomes able to be achieved & reported on

## (3) Governance & accountability



- Independent Oversight Committee with senior representatives from Departments of Premier & Cabinet, Treasury, Finance and Communities.
- Committee will oversee Communities' housing stimulus programs including:
  - SHERP
  - Metronet Social & Affordable Housing and Jobs Package, and
  - Housing and Homelessness Investment Package
- Communities' Finance and Investment Committee strengthened with appointment of John Langoulant as independent chair.
- A Senior Working Group established with representatives from across the agency, along with partner agencies and organisations as required
- A dedicated Program Office established to oversee programs' delivery

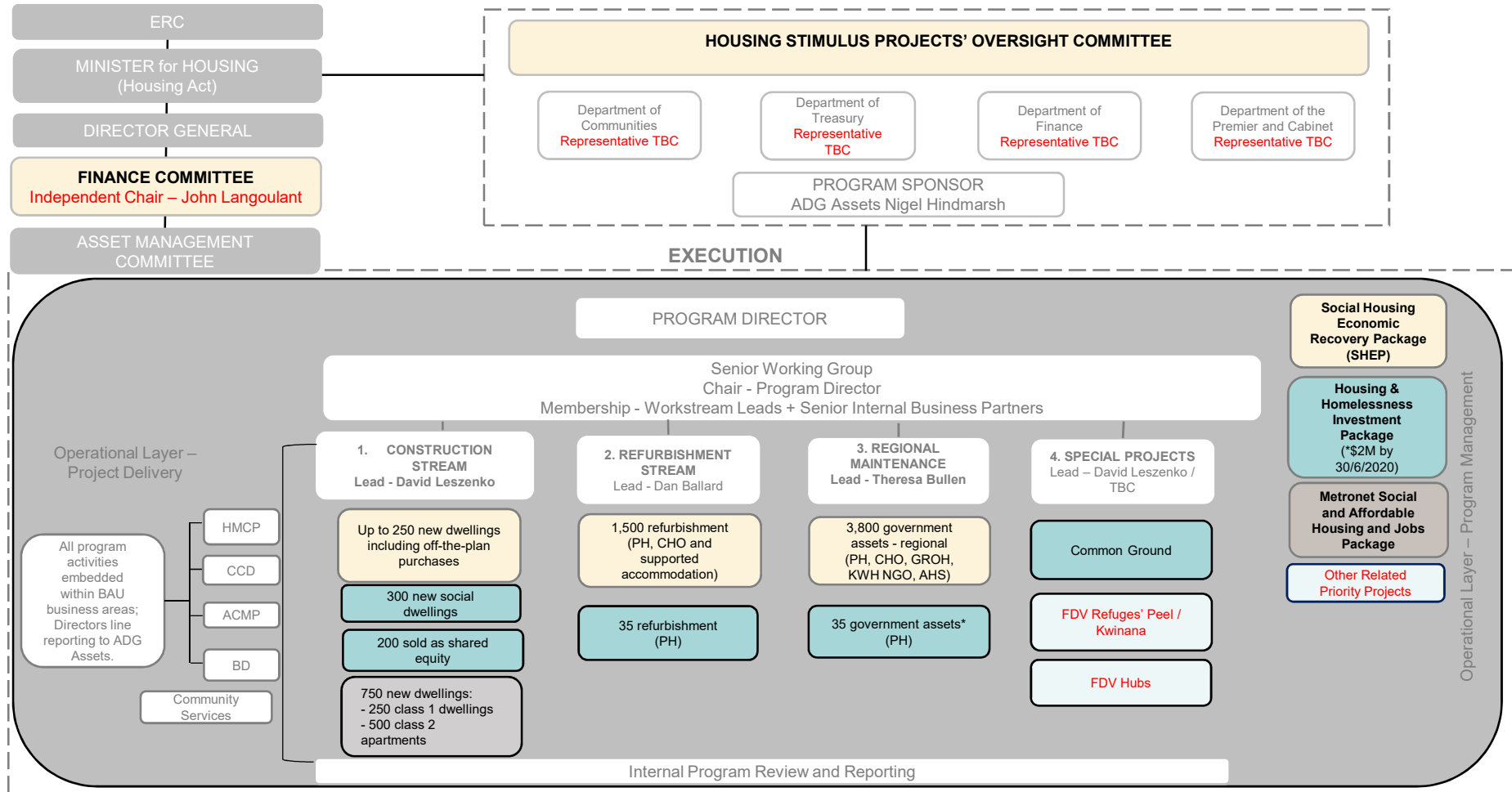
## (4) Governance & accountability cont'd



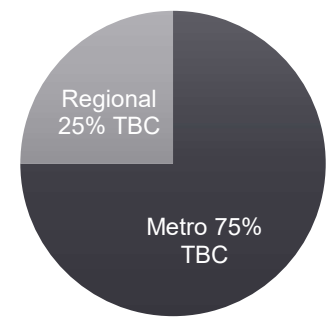
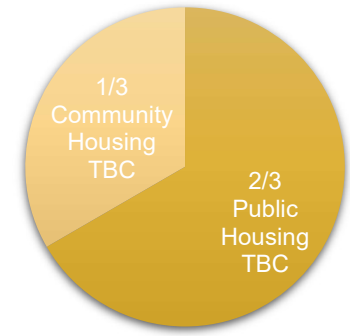
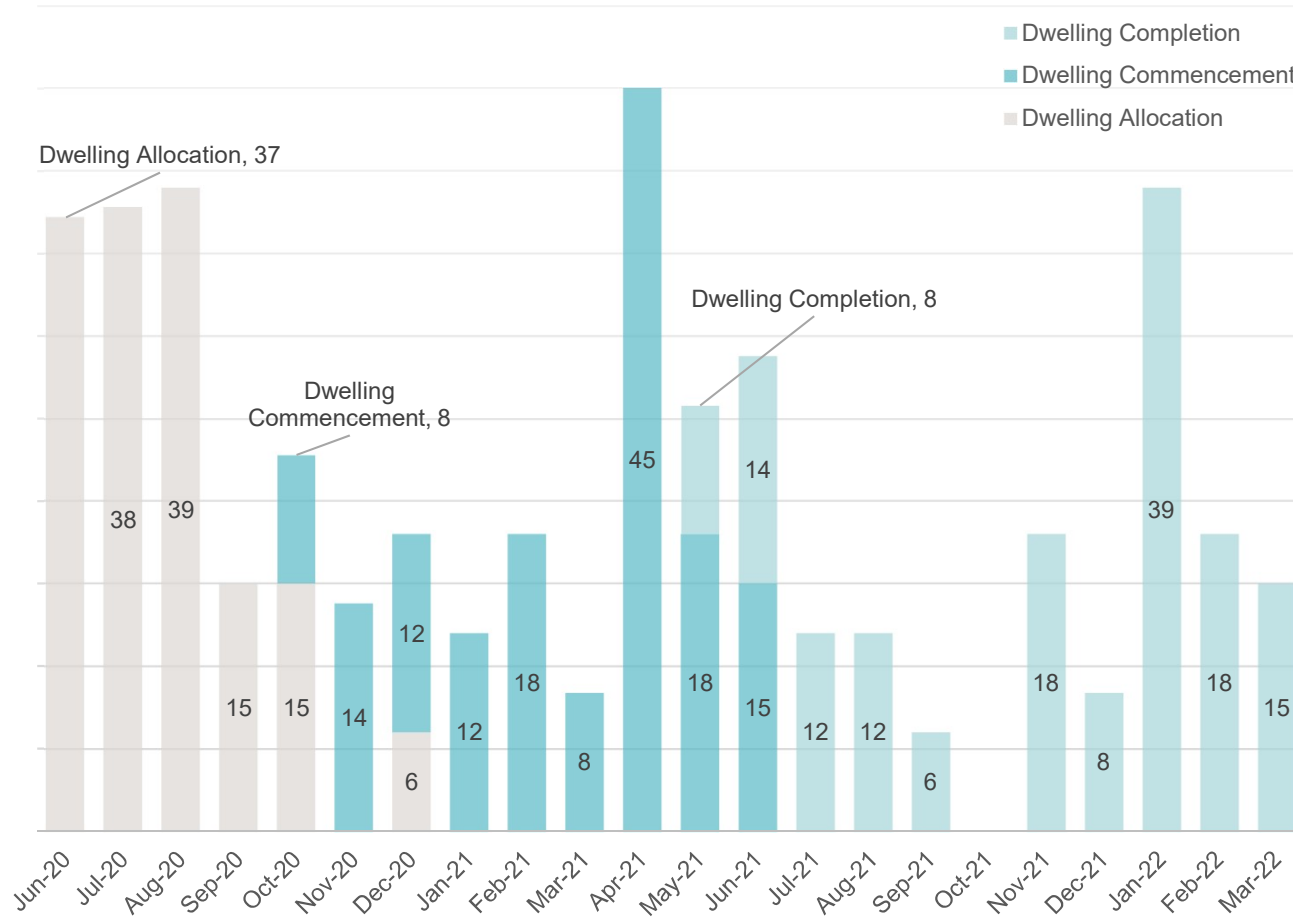
The role of the Program Office is to:

- Ensure Housing Stimulus Programs are delivered on time and on budget, and without compromising on safety, economic or social outcomes
- Work with the executive sponsor to set the pace of the programs and generate momentum
- Define and drive effective cross-agency and cross-sector decision making processes (governance frameworks)
- Push fundamental program management processes (schedule, budget, scope, quality, risk, change, communications) across the three workstreams (new builds, refurbishment & maintenance)
- Deliver accurate, useful and timely programs' performance reporting
- Drive a proactive approach to programs' risk management
- Drive consistent and coordinated programs' communications and engagement with their broad range of internal and external stakeholders
- Drive a team culture of integrity, cultural competence and a commitment to Communities' CREATE values

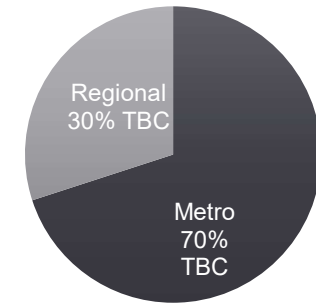
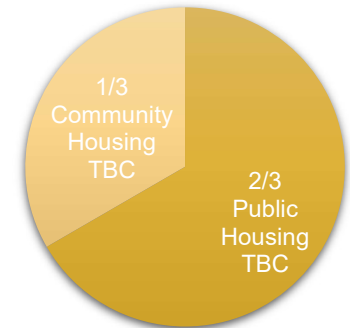
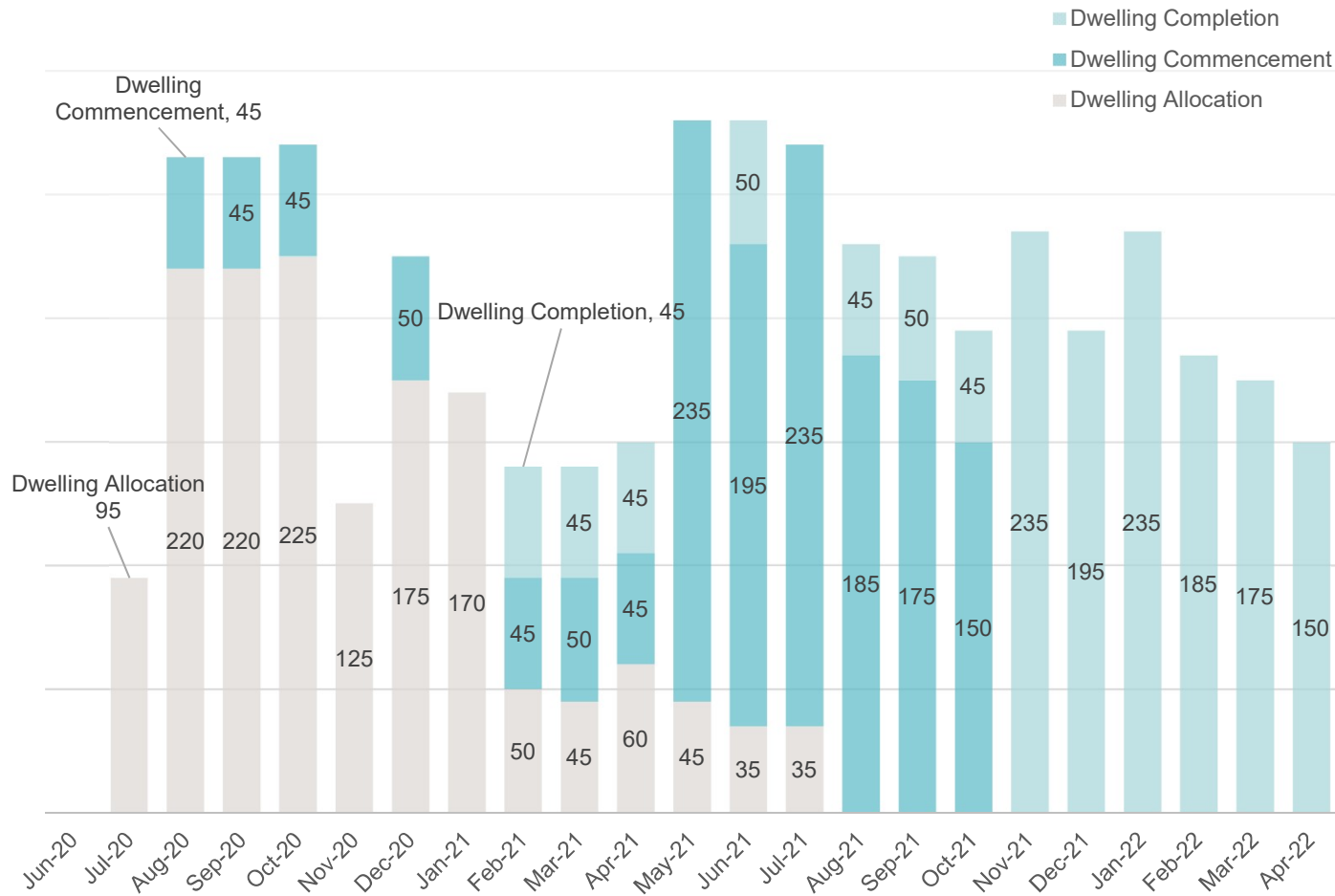
# (5) Housing stimulus projects – Governance structure



# (6) SHERP NEW BUILDS STREAM - **INDICATIVE ONLY** (BASED ON 150 NEW BUILDS - TBC)

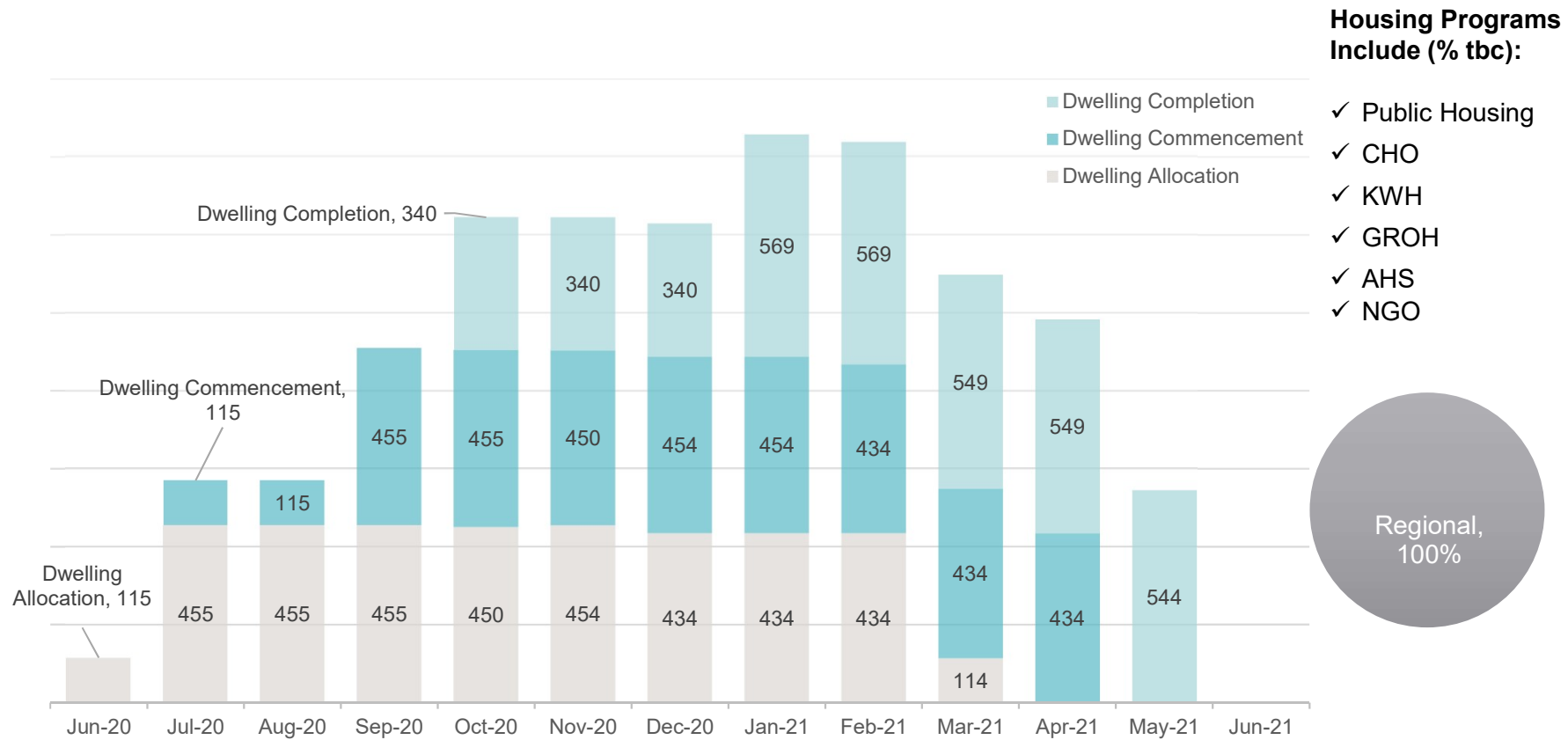


# (7) SHERP REFURBISHMENT STREAM – INDICATIVE ONLY (1,500 PROPERTIES)





# (8) SHERP REGIONAL MAINTENANCE STREAM – INDICATIVE ONLY (3,800 PROPERTIES)



## (9) SHERP TOTAL ALLOCATIONS BY REGION (INDICATIVE ONLY)



Region	New Builds	Refurbishments	Maintenance
<b>North Metro</b>	Approximately 60 to 80 new builds	Around 350 refurbs	No metro maintenance in SHERP
<b>South East Metro</b>	Approximately 15 to 20 new builds	Around 350 refurbs	No metro maintenance in SHERP
<b>South Metro</b>	Approximately 30 to 40 new builds	Around 350 refurbs	No metro maintenance in SHERP
<b>East Kimberley</b>	5 to 10 new builds	Around 25 refurbs	Around 100 properties
<b>Goldfields</b>	5 to 10 new builds	Around 30 refurbs	Around 100 properties
<b>Great Southern</b>	5 to 10 new builds	Around 30 refurbs	Around 200 properties
<b>Midwest/Gascoyne</b>	2 to 5 new builds	Around 80 refurbs	Around 100 properties
<b>Pilbara</b>	5 to 10 new builds	Around 130 refurbs	Around 2,500 properties <sup>#</sup>
<b>Southwest</b>	5 to 10 new builds	Around 50 refurbs	Around 200 properties
<b>West Kimberley</b>	5 to 10 new builds	Around 50 refurbs	Around 600 properties
<b>Wheatbelt</b>	2 to 5 new builds	Around 60 refurbs	Around 150 properties
<b>Total</b>	<b>150-250 new builds</b>	<b>1,500 refurbs</b>	<b>3,800 properties</b>

- Indicative numbers include all housing programs (Public Housing, CHO, KWH, GROH, NGO and AHS);
- Cost of new builds to total \$97million minus off-the-plan purchases. New builds and off-the-plan purchases are estimated at 250 total dwellings. # figure includes approx. 1,300 required termite inspections identified by the region

## (10) SHERP procurement strategies



- ‘Sprint 1’ will largely use existing procurement levers to ensure jobs are created quickly - including existing D&C panels and Head Maintenance Contractors
- Subsequent phases to broaden the number of businesses and local trades involved across WA:
  - New Design & Construct and/or Housing Refurb Builders panel (currently open on TendersWA)
  - Broadening the available pool of local (new) trades on the HMCs
- North-West Urban Construction & Development Builders Panel, and also procure works via public tender as required
- Calls for Submissions for off-the-plan construction ready purchases (currently open on TendersWA)

# (11) Opportunities for Community Housing Sector – New Builds



CHO new build proposals will need to be:

- Construction-ready projects
- On land that is largely de-constrained so construction can be completed within two years, by 30 June 2022
- Aligned with program outcomes around jobs creation and economic activity
- Due to tight timeframes, proposed to use existing procurement levers to manage refurbishment works (D&C &/or HR panels, HMCs)
- Ownership to be determined, however Communities will likely consider CHO ownership
- Property to be utilised for social housing and an existing agreement in-place to ensure it remains in stock (e.g. via a Community Housing Agreement)

## (12) Opportunities for Community Housing Sector – Refurbishment



CHO refurbishment proposals will need to be:

- Communities-owned assets under management with CHOs
- Works able to be completed within two years, by 30 June 2022
- Due to tight timeframes, proposed to use existing procurement levers to manage refurbishment works (D&C &/or HR panels, HMCs)
- Residential group homes, supported disability accommodation (group homes), refuges and crisis accommodation within scope
- No additional operational funding required
- CHOs to manage client relocations and continuity of service

## (13) Opportunities for Community Housing Sector – Maintenance



CHO maintenance proposals will need to be:

- Communities-owned assets under management with CHOs
- Meet definition of ‘planned maintenance’ (e.g. bathroom/kitchen replacement or new security screens) rather than reactive maintenance (fixing broken building components)
- Regional and remote areas only
- Works must be completed within one year, by 30 June 2021
- Due to tight timeframes, proposed to use existing procurement levers to manage regional maintenance works (HMCs)

# (14) Identification Process



- Undertake EOI process to identify CHO proposals that meet intended program outcomes for the three (3) streams of SHERP
- Recognise the need to move quickly to ensure SHERP proposals are delivered on time
- Communities will work with CHOs to progress proposals beyond initial EOI process

## (15) Next Steps



- CHOs and Communities to further discuss process & opportunities for interested organisations to get involved, and parameters for SHERP
- Communities to commence planning for EOI process to seek proposals from CHOs for the three workstreams
- Communities and ShelterWA to further discuss opportunity for representation on Senior Working Group



## (16) SHERP enquires can be directed to:



- Visit our website at

<https://www.communities.wa.gov.au/housingstimulus>

- Or email us at

[housingstimulus@communities.wa.gov.au](mailto:housingstimulus@communities.wa.gov.au)



- Questions?