



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



Social Housing Economic Recovery Package

**Workshop to inform investment in the Community
Housing sector**

Session Purpose



- To inform the design of SHERP's investment criteria for the construction and refurbishment workstreams in the Community Housing sector
- Working with the Community Housing sector to ensure limited funding within a limited timeframe is allocated in the most effective way

Workstream Definitions



- **New build** - construction or off the plan purchases of construction ready projects
- **Refurbishment** - extending the useful life and improving the function of the home beyond its original state
- **Maintenance** - planned work undertaken to repair damage or prevent deterioration and to provide a liveable home for the expected lifetime of the asset

Strategic Intent



The Social Housing Economic Recovery Package forms part of the WA Recovery Plan that looks to support WA as it recovers from COVID-19.

The package must:

- Provide immediate stimulus to the construction industry
- Create a pipeline of jobs, strengthen economic activity and support small businesses
- Address increased demand for a range of housing products

SHERP Social Outcomes



- More vulnerable West Australians will have a place to call home
- Inclusive employment opportunities
- Greater comfort, sustainability and safety for people in their homes

Process to Date



- June 2020 - \$33 million for new builds and \$40 million for refurbishments and a need to make transparent investment decisions
- Sept 2020 - Market sounding to understand the volume and scope of possible projects in each of SHERP's three workstreams from the CHO Sector
- January 2021– engage with the sector to understand how we can prioritise funding allocation to proposals
- Next steps – call for submissions and implementation

What we heard from you



- There is significant demand for funding to support new builds and refurbishments
 - We received 48 responses from the 222 providers engaged (22% participation rate)
 - New Builds - 151 applications totalling \$307m
 - Refurbs - 1118 applications totalling \$72.1m.
- Further engagement with the sector is required



Criteria review

Proposed Eligibility Principles



- Must demonstrate land ownership/control
- Must be delivered in a timely fashion. Current Cabinet approved timeframes require practical completion:
 - June 2022 for refurbishments
 - June 2023 for new builds
- Management of construction and works must guarantee timely delivery, quality and cost certainty
- Assurance for continuity of services

Proposed Qualitative Criteria Principles



- Optimise community benefit
- Equitable distribution across Western Australia
- Create jobs to support economic recovery

Qualitative Criteria Considerations



- **Value for money**
 - What is the benefit to the community?
 - How would you demonstrate return on government investment?
- **Demonstrated need**
 - What assets are in the highest demand?
- **Progress towards shovel readiness**
 - Land zoning
 - Development Approval
 - Detailed design
- **Capacity to manage additional accommodation**

Next Steps



- Communities will:
 - Collate and analyse all of the information provided through today's workshop
 - Provide all participants with a workshop summary
 - Utilise the outcomes of today's workshop to inform the design of SHERP's investment criteria for the construction and refurbishment workstreams in the Community Housing sector
 - Seek approval of the final design of the investment criteria through Communities' governance bodies