

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**WRITTEN QUESTION****SIHIP Program - Ali Curung Community****Mr Giles to Minister for Public and Affordable Housing;**

Preface

There is a huge housing need in remote communities across the Territory and even though it is the largest investment ever by Governments in remote indigenous housing, it will not fix the entire problem. But it is a good first step.

2,500 houses will be refurbished through SIHIP across the Territory.

Refurbishments will target the key areas of a house that affect people's health, focusing on the wet areas of a house including kitchens and bathrooms.

Providing tenants with houses that are safe and functional means ensuring the house provides tenants with; a place to wash and bathe, facilities to wash clothes and bedding, the ability to remove waste safely from the house, and the ability to store, prepare and cook food.

Refurbishment works will range from \$20,000 to \$100,000 per house but will average \$75,000.

There have been reports in the media of handymen who can deliver "refurbishments" cheaper than what is being delivered through SIHIP.

It needs to be understood that for a program of this size, it would be completely impractical to hand money to a group of handymen and contractors - who operate with no overheads - with varying degrees of quality and consistency – and without supervision.

The Alliance is required to work within the Building Code of Australia, Australian Standards and the National Indigenous Housing Guide.

Alliances are required to have Federal Safety Commissioner (FSC) accreditation and are regularly audited by the FSC. This is a requirement of all major construction projects funded by the Australian Government. FSC accreditation brings with it a series of obligations including having safety officers on each site and adherence to stringent safety standards.

For example, the Alliance has budgeted \$75,000 for temporary fencing for the Southern Refurbishment package. It is an FSC requirement that all construction sites are fenced while works are underway.

The investment in a SIHIP refurbishment also includes providing transitional housing for families that need to be temporarily relocated during what is a large scale community wide program where tenants can not stay with relatives (this practice is encouraged to keep costs down). If this was handed to a handyman/contractor, Territory Housing would still need to cover these costs.

Nearly \$2 million has been set aside across the Southern Refurbishment package to provide transitional accommodation for families while their houses are being refurbished.

In addition to the works being delivered through SIHIP, an improved system of housing management is being implemented through the joint Australian and Northern Territory Government Remote Housing NT Program.

This includes increased funding for repairs and maintenance, the need for tenants to sign a tenancy agreement, support services for tenants and the payment of rent.

Rent paid by tenants will be reinvested into repairs and maintenance. This will ensure that the housing assets are maintained appropriately.

To ensure the sustainability and quality of what is being delivered the Governments are working with the Alliances to make sure we are using appropriate material, safety standards are being followed, we are employing Indigenous people and we are delivering work that will last.

The Department has staff involved in the planning and delivery of the refurbishment works and has a dedicated team of Asset Management Officers (AMOs) who inspect properties to ensure the agreed scope of works is carried out to the appropriate standard before the Department accepts the property back from the Alliance.

In relation to specific questions asked:

1 As of 11 March 20, how many houses are planned to be constructed and how many houses will receive upgrades and how many will receive repairs and maintenance?

Through SIHIP, \$3.9 million will be spent refurbishing 52 houses in Ali Curung, an average of \$75,000 per house.

Refurbishment work will focus on making houses safe and restoring functionally, with a focus on improving the 'critical healthy living practices' within the envelope of the house from the National Indigenous Housing Guidelines.

This means that homes will have a place to wash and bathe, facilities to wash clothes and bedding, the ability to remove waste safely from the house and the ability to store, prepare and cook food.

All work is inspected by Department Asset Management Officers who ensure the agreed scope of work for each property has been carried out to an appropriate standard. Any defects are rectified and repaired. Repairs and maintenance will be ongoing by the Shires until 30 June 2010 after which Service Agreements will be struck between the Department and Shires.

2 How many houses are currently under construction?

Ali Curung is a refurbishment only community, no new house construction will occur under SIHIP.

3 When will the remaining houses commence construction and when will they be completed?

Ali Curung is a refurbishment only community, no new house construction will occur under SIHIP.

4 Under the SIHIP program, what is the estimated and actual cost of construction of a house in Ali Curung?

Ali Curung is a refurbishment only community, no new house construction will occur under SIHIP.

5 As of 11 March 2010, how many houses have had upgrades completed, how many have commenced and when will the remaining be commenced and when will they be completed?

As at 11 March 2010, New Future Alliance has completed 25 refurbishments in Ali Curung and a further 8 are underway as part of the work in 29 Central Australian communities.

The remaining 19 refurbishments will commence progressively over the next 4-6 weeks

6 What is the average length of time for the construction of a house and the upgrade (refurbishment) of a house?

The average length of time for the refurbishment of a house is two weeks.

7 For each completed upgrade, what was the individual cost when the works were undertaken by Alliance employees and what was the cost when the works were completed for houses refurbished through sub contractors including agencies such as Barkly Agencies?

The cost to refurbish a home in Ali Curung varies from \$20,000 to \$100,000 per house, depending on what needs to be done.

8 Please provide an itemised breakdown of all works undertaken and the cost associated with each piece of works for every individual house as at the 30 March 2010?

This level of detail is not available. To break this down to individual houses will impose significant administration and cost which I would rather see spent on delivering dwellings. However the average cost of \$75,000 for refurbishment will result in a place to wash and to cook and store food.

9 As of 11 March 2010, how much under SIHIP has been spent in Ali Curung with the local Shire through either engagement or sub-contracting?

The local shire has not subcontracted to SIHIP in Ali Curung.

Comment [h1]: CHECK TC

10 As of 1 March 2010, how much under SIHIP has been spent indirectly in Ali Curing on Aboriginal ambassadors who promote SIHIP for Government and/or the Alliance?

Neither New Future Alliance nor the NTG have an Aboriginal ambassador employed.

11 Is there a policy on the sourcing of construction materials from within Australia and if not, what is the policy.

Under the NTG's Procurement Framework there are five key principles. These are:

- Value for money;
- Open and effective competition;
- Enhancing the capabilities of local business and industry;
- Environmental protection; and
- Ethical behaviour and fair dealing.

Alliances commit to NTG local industry participation and as such work extensively with the Northern Territory Industry Capability Network (NTICN) to identify local suppliers in the first instance wherever they can provide competitive, quality products to the program.

12 Please detail which materials whether they be used for repairs, maintenance, refurbishment, rebuild or new construction, are purchased or sourced from overseas?

This is the largest investment in Indigenous housing by governments which is why standard and quality control measures are in place to ensure what we spend now doesn't cost us more later.

Should local suppliers source goods from overseas, the Program requires that they meet performance specifications set down for SIHIP and comply with Australian Standards.

13 Please detail which country these products or materials are purchased from.

As referred to in question 12 above.

14 What quality control measures are undertaken to ensure materials are fit for purpose?

Alliances will perform quality control checks in accordance with their quality management and construction management plans.

All construction works that require certification in accordance with the Building Code of Australia or the NT Building Act will be certified.

15 Who are the suppliers of construction materials, including internal fittings to activities in Ali Curung?

This level of detail is not readily available.

Comment [h2]: 's available??

16 How many people have worked on SIHIP activities in Ali Curung, broken down by Commonwealth, Territory and Alliance employer groups?

As at 12 March 2010, there were 45 Indigenous and non Indigenous employees on Package 3A which includes Ali Curung.

Comment [h3]: Why the difference? See below in pink

The Australian Government Business Manager (GBM) is involved in SIHIP activities, the Northern Territory Government Alliance Director, and the NFA alliance leadership team are involved in management activities. Various numbers of the SIHIP program team and local regional housing staff would have input into Ali Curung activities from time to time.

Comment [h4]: Relevant?

17 How many Aboriginal residents from Ali Curung have been employed on SIHIP activities?

SIHIP has set ambitious targets for Indigenous employment and training, the achievements so far have been good. The implementation, monitoring and achievement of these targets would not have been possible if the work was given to an average handyman type contractor.

6 CDEP participants are employed as a team to paint floors in all houses in Ali Curung.

An additional 19 CDEP participants commenced induction training on the 19th April 2010. 12 of these participants commenced working on the refurbishment of a house on the 27 April 2010.

18 How many Indigenous residents from Ali Curung have been engaged as trainees and apprentices?

Pre-employment training was an opportunity provided in Ali Curung for people currently receiving Community Development Employment Project (CDEP), payments from Centrelink. The community of Ali Curung (either on CDEP or JSA benefits) were offered a 6 week training course which they completed, as this allows participants to continue receiving CDEP payments while training.

19 What hourly rate were those Indigenous Ali Curung employees paid and under what award?

All employees of the Alliance's are paid under the appropriate award for their employment type.

For members of the Ali Curung community who decided to remain on CDEP payments (as opposed to having short term employment which requires coming off payments), CDEP provides work experience with the Alliance. This experience develops participants' skills and employability in order to assist their move into employment outside CDEP.

20 When will they complete their trade or apprenticeship and if the completion date is after works are completed at Ali Curung what are the plans for those employees to ensure they do not end up back on the unemployment line?

Local people interested in becoming trades assistants will be able to apply for either work-experience (if they choose to stay on either CDEP or JSA payments) or work directly if they are interested in permanent full time employment and are happy to relocate for work as the Alliance moves to other communities.

All local Indigenous people employed by the Alliance (or their subcontractors) will have a career management plan which outlines the individual's aspirations, work skills and experience, and highlights training needed.

21 What schedule of pay rates has been established for the employment of workers in Ali Curung?

The Alliance pays all employees under the appropriate award for their employment type.

22 What is the amount of allowances broken down by type but including payments for travel, meals and incidentals including fuel, have been paid to SIHIP employees for work in Ali Curung?

The Alliance pays all employees under the appropriate award for their employment type.

23 Who are the sub-contractors that have completed work in Ali Curung and what was the total amount paid to these contractors for SIHIP works Please breakdown the costs per house worked on as at 20 March 2010?

This information is commercial in confidence.

24 For each contractor, how many people have been employed in Ali Curung?

This level of detail is not readily available.

However, as at 1 April 2010 there were 45 Indigenous and non-Indigenous employees on Package 3A which includes Ali Curung.

Comment [h5]: Check

25 Who was the responsible party for design components of the project including housing and infrastructure, including the development of construction drawings? What costs were associated to these design components in Ali Curung?

Ali Curung is a refurbishment only community and does not include infrastructure upgrades.

26 What infrastructure, including power and water, has been identified as necessary for the construction of the planned houses, and what is the estimated cost of that infrastructure

Ali Curung is a refurbishment only community and does not include infrastructure upgrades.

- 27 Which roads will be sealed and curbed and guttered in Ali Curung? Please detail the costs and timelines for construction of all such works.**

Ali Curung is a refurbishment only community and does not include infrastructure upgrades.

- 28 Please detail the power, sewer and water schedule of works that will be completed at Ali Curung as part of SIHIP. Please detail the costs and timelines for construction of all such works.**

Ali Curung is a refurbishment only community and does not include infrastructure upgrades.