



## Housing Stimulus Package, NSW

In 2009, as part of the Federal Government's response to the Global Financial Crisis, NSW received a budget of just under \$2 billion to deliver the social housing component of the Nation Building and Economic Stimulus Program. Housing NSW was tasked with delivering 6000 social housing dwellings over a two year period, a brief that would normally be seven to ten years of 'business as usual' activity.

For the Federal Government's stimulus package to be effective, work needed to commence quickly, stimulate the economy and create much needed employment. None the less, this lasting and important infrastructure also need to be well designed, sustainable, and appropriately fit into communities in metropolitan and regional centres across NSW.

Housing NSW was awarded new planning powers to assist in streamlining the traditionally lengthy approval process, which also presented an additional challenge to ensure a transparent and accountable use of these new powers.

To deliver the Stimulus Program Housing, NSW needed to adopt a new approach to the delivery of social housing.

### Evans & Peck's role

Housing NSW engaged Evans & Peck in early 2009 to review its capacity and capability to deliver the NSW National Building Economic Stimulus Program and provide guidance on the delivery model that would be needed to meet program requirements and timeframes.

Evans & Peck assisted Housing NSW to develop the strategy and establish the Program Management Office (PMO) responsible for management of the program delivery. Following this successful role, key personnel from Evans & Peck were invited to work as part of the Program Management Office (PMO) including Delivery Director for the metropolitan region, Head of the Planning Group, Head of Technical Services, Head of Cost Planning, Head of Program Reporting and Delivery Manager for the North Coast and New England districts.

The objective of the PMO was to:

- Stage 1 - deliver 752 new homes by June 2010
- Stage 2 - deliver 5470 homes - 3656 by December 2010 and a further 1786 homes by June 2012

The unprecedented speed of delivery required new systems to streamline the design, approval and delivery process. Procurement challenges included utilising whole of industry to ensure risk mitigation and a reasonable spread of work geographically and across the industry.

Design challenges included balancing sustainable design priorities, ensuring the needs of Housing NSW tenants were achieved, realising the right planning outcome to enable planning approval, and ensuring the design requirements of Local Councils was included.

Evans & Peck team members developed and implemented a streamlined concept design, design development, tender procurement and planning application process that allowed Housing NSW to get from concept design through to planning approval and builder award within 77 days.

### FACTS AND FIGURES

**Client:** Housing NSW

**Project value:** \$1.9 billion

**E&P involvement:** 2009 to 2011

**Scope:** Delivery of over 6000 new dwellings in less than two years

Developing new processes to deliver social housing in short timeframes

# SOCIAL INFRASTRUCTURE

## Housing Stimulus Package, NSW (continued)

To do this, a series of three 'gate meetings' were introduced for each site that ensured stakeholder buy-in and allowed progressive review and approval of the design, cost, procurement and submission of the planning application.

This structured approach allowed the PMO to drive the process and ensure the right deliverables were achieved within the required timeframe.

To mitigate delivery risks, ten different project management companies across the State were selected to deliver the housing stock and some 300 builders tendered for the works.

The PMO established a structured team of delivery managers to co-ordinate and manage the project management firms on behalf of Housing NSW, to drive delivery within the required time and cost constraints, ensure safety and environmental standards were achieved, and to manage any contractual issues on behalf of the client.

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### Results

Housing NSW led all of the Australian states in the delivery of the social housing Stimulus Program. Housing NSW was the only State that achieved all of its targets in terms of time/cost/quality and safety.

The design of the delivery model allowed Housing NSW to get the project procured, approved and delivered within the Federal Government's proposed budget and timeframe. This was an outstanding result for Housing NSW which will now see a number of successful aspects of the new delivery model taken up by NSW Housing in the future to guide 'business as usual'.

A key benefit of the program was that the social housing projects were tendered to over 300 building contractors, from small family companies in regional areas, project home builders, third tier builders as well as a small number of larger tier 1 and 2 builders and head contractors.

The stimulus work was spread across NSW which proved very successful as it enhanced competition, spreading the work to many businesses which also reduced risk of delivery.

In the North Coast and New England area the team also worked closely with the Aboriginal Housing Office, Community Housing Providers and indigenous cooperative building companies to ensure the houses met their ongoing needs and requirements.

