

## CASE STUDY: HOUSING NSW

### Social Benefits through Public Housing Estate Contracts

Property maintenance contracts in Housing NSW involve significant spend, with around \$270M spent each year and 600,000 work orders. Housing NSW incorporates specific and mandatory social obligations in contracts related to public housing estates, which outline a contractor's obligations particularly in relation to tenant employment. The legislative and policy obligations that contractors have in relation to tenant employment are specifically highlighted. This often supports the development of partnerships between contractors and social enterprises (such as is the case with, for example, Housing NSW, Spotless and Fair Repairs in Campbelltown; and property maintenance work undertaken by Job Quest, around a contract that has been awarded to Transfield by Housing NSW in the Newcastle and Lake Macquarie area). Below is an extract from the MRPO8 Legislative and Policy Conditions of Housing NSW for contracts focused on Housing Estate Property Maintenance, indicating how social value clauses can be successfully integrated into large contracts where there are clear benefits to be derived in relation to social policy objectives of the purchasing organisations. The contract also sets out clearly and specifically what targets are expected within these social obligations and how they will be monitored over the life of the contract. These extracts are provided as an example of the sorts of clauses that have been incorporated in contracts — it should, however, be noted that the MRPO8 is currently under review and may be substantially altered by 2013. The table below provides an overview of key extracts from the MRPO8 and links them to Housing NSW social objectives and benefits that are accrued through the clauses.

Example of a HNSW Social Objective	How this Objective is reflected in Property Maintenance Contract Obligations	Benefits to Housing NSW and their constituents
<p>--&gt; Improved economic and social participation of social housing tenants</p> <p>Housing NSW Corporate Plan</p>	<p><b>9 TENANT EMPLOYMENT</b></p> <p><b>9.1 Policy Statement: Reducing Social and Economic Disadvantage</b>            The Principal is committed to reducing social and economic disadvantage in communities with large numbers of social housing tenants, particularly larger public housing estates. A key element of this disadvantage relates to the high incidence of long-term unemployment, under-employment and discouraged job seekers who lack the skills and attitudes needed to participate in the labour market. The extent and interconnected nature of disadvantage and unemployment means that the Principal needs to focus its response to social and economic disadvantage around core business activities where it can make significant and sustainable improvements. In particular, the Principal is investing substantial capital and operating resources in community regeneration initiatives to improve the amenity and quality of life in communities with large numbers of social housing tenants. The Principal's community regeneration initiatives will have the greatest impact where they interact with the social policy initiatives of other government agencies, community building activities of the non-government sector and economic development opportunities provided by the private sector.</p> <p><b>9.2 Creating Employment Opportunities</b>            The Principal is committed to the promotion of employment opportunities for tenants, primarily through:</p> <p>(a) ensuring social housing tenants have similar access as other disadvantaged jobseekers to specialist employment support services (such as Job Network);</p> <p>(b) facilitating partnerships and agreements with government and non-government service providers at the neighbourhood, regional and state levels to improve the delivery of services needed to build the job readiness of social housing tenants (such as vocational and job readiness training; work experience; Work for the Dole; and Community Development Employment Projects (CDEP)) or other such programs as exist from time to time; and</p>	<p>Tenant employment has been demonstrated to result in significant benefits to HNSW and to tenants:</p> <p>cost savings — if tenants are employed, there are rent increases for HNSW;</p> <p>social benefits — improved community safety, increase tenant satisfaction, increased tenant participation, greater social capital;</p> <p>benefits for tenants — improved health, improved education and skills outcomes, greater levels of employability and increased income.</p>

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	<p>(c) examining options for changing its policies to address workforce disincentives for social housing tenants (e.g. allowing a 'grace' period when tenants start work before income is counted for calculating rent and offering rent credits for completing job readiness training).</p> <p>As a secondary strategy, the Principal seeks to generate a relatively small number of direct tenant employment opportunities linked to contracts for maintenance work on properties of the Principal. The intent of this strategy is to use these job opportunities:</p> <p>(d) as an incentive to leverage improved linkages with Job Network providers and other government and community support services; and</p> <p>(e) to build community pride and satisfaction with 'one of our own' undertaking the maintenance work.</p> <p>The Principal has adopted a Tenant Employment Framework which seeks to generate employment opportunities by providing specific tenant employment requirements in maintenance contracts. ...</p> <p>The Tenant Employment Framework has 3 key elements:</p> <p>(a) a standard Department of Housing policy concerning tenant employment;</p> <p>(b) a Tenant Employment clause; and</p> <p>(c) Social Obligation Guidelines.</p>	
<p>--&gt; Continue to participate in whole-of-government initiatives to meet State Plan commitments related to: addressing Aboriginal disadvantage, improved education and employment outcomes for young people, reductions in anti-social behavior and promoting prevention and early intervention in services which support young people's wellbeing.</p> <p><b>HNSW Youth Action Plan 2010-2014</b></p>	<p><b>10 COMMUNITY CONTRACTS</b></p> <p>In order to provide employment for Tenants the Principal is implementing various Tenant Employment initiatives. One of these initiatives is known as Community Contracts. Community Contracts are contracts to perform work, such as maintenance and repairs and lawns and grounds and common area cleaning, which the Principal selectively tenders to Job Network Agencies and, where applicable, to non-profit organisations. These agencies will then employ unemployed residents of public housing to undertake the work under appropriate supervision. Such Services may include maintenance and upgrading Services that would normally be the subject of the Contract. In the event the Principal quarantines such Services for a Community Contract, a Contractor shall have no legal or financial recourse concerning such quarantining. Clauses 10.1-10.4 below provide information on current Community Contracts operating within Divisions. The information contained in clauses 10.1-10.4 in no way limits the discretion of the Principal to implement and establish Community Contracts within Contract Areas, nor does it limit the discretion of the Principal as to the type or nature of Work or Services that are the subject of Community Contracts.</p>	<p>A number of these programs have been evaluated and shown to have significant benefits to both HNSW and tenants, see particularly the Graffiti removal program, which focussed on training and transitional employment of Indigenous young people (see case study on page xxx).</p>

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<p>--&gt; Improved social and physical amenity in estates</p>	<p><b>11 HANDYPERSON PROGRAM</b></p> <p>The Principal conducts a Handyman Program on a number of its Sites. At the request of the Principal, the handyman carries out minor maintenance and repair tasks as quickly as possible. The Handyman is engaged under a separate Contract. In general, he or she will:</p> <ul style="list-style-type: none"> <li>(a) not use large amounts of materials (but rely primarily on tools and labour);</li> <li>(b) not build anything new (only repair and maintain existing properties/areas);</li> <li>(c) perform a variety of tasks (mostly involving tightening, easing, adjusting, removing or installing);</li> <li>(d) show or teach residents simple repair and maintenance skills (where this is possible and appropriate).</li> </ul> <p><b>11.1 Handyman Program Aims</b></p> <p>The primary goals of the Handyman Program are to:</p> <ul style="list-style-type: none"> <li>(a) improve quality of life and customer satisfaction for individual Tenants, by responding quickly to their minor housing maintenance and repair needs;</li> <li>(b) improve the look and feel of large housing estates;</li> <li>(c) help protect the value of the Principal's assets by keeping the housing stock in good condition and preventing minor problems from escalating;</li> <li>(d) provide employment for a small number of appropriately skilled unemployed social housing residents; and</li> <li>(e) use the handyman to teach interested residents how to do small repair and maintenance work for themselves.</li> </ul> <p><b>11.2 Handyman and the Maintenance Services Contract</b></p> <p>The Handyman Program will continue to operate during the Contract. In addition, the Principal may, at its absolute discretion, require the Contractor to provide a Handyman Service during the term of the Contract.</p>	<p>In addition to some of the above benefits (as tenants are trained and employed under this program), the program also has the benefits of :</p> <ul style="list-style-type: none"> <li>&gt; improving quality of life and customer satisfaction for tenants;</li> <li>&gt; improving the look and feel of large housing areas; and</li> <li>&gt; helping to protect Housing NSW assets.</li> </ul>

