

NSW LAND AND HOUSING CORPORATION

Background information on the establishment of two panels of residential builders using NSW Government Prequalification Schemes

1. BACKGROUND

Future Directions for Social Housing in NSW (Future Directions) sets out the Government's vision for social housing over the next 10 years. The strategic priorities of *Future Directions* includes the provision of more and better social housing, and opportunities for partnerships between government, community organisations and the private sector.

The Government's Future Directions strategy is complemented by the Communities Plus Program - a \$22 billion building program redeveloping NSW Government owned social housing sites and aims to deliver 23,000 new and replacement social housing dwellings, 40,000 private dwellings and 500 affordable housing dwellings over the next decade.

Further information on the Future Directions program is available at:
www.facs.nsw.gov.au/reforms/social-housing/future-directions.

2. NSW LAND AND HOUSING CORPORATION

Who we are and what we do

LAHC is a Public Trading Enterprise within the Department of Family and Community Services (FACS) cluster. LAHC owns and manages land, buildings and other assets within the social housing portfolio, which comprises some 130,000 properties within New South Wales.

Further information about LAHC is available at:
www.facs.nsw.gov.au/about_us/land_and_housing_corporation

New building and construction works

In LAHC, property development functions are provided by two (2) discrete delivery teams:

Projects Division	General remit to deliver infill development programs and major upgrade works.
Communities Plus Division	General remit to deliver large scale urban renewal and redevelopment projects, e.g. Ivanhoe Estate.

Both Divisions are tasked with the delivery of the Communities Plus Program target of 23,000 new and replacement social housing dwellings over the next ten years.

This request for Registration of Interest relates to the provision of building services to the Projects Division.

Building upgrade works

In LAHC, upgrade and repairs and maintenance functions are provided by two (2) discrete delivery teams:

Projects Division	General remit to deliver major upgrades, fire safety upgrades, fire restoration upgrades, complex structural works and recurrent compliance programs.
Assets Division	General remit to deliver repairs and maintenance including life-cycle upgrades, responsive, cyclical and preventive maintenance.

This request for Registration of Interest relates to the provision of major upgrades, fire safety upgrades, fire restoration upgrades and complex structural works services to the Projects Division.

Aboriginal Housing Office Program

LAHC's Projects Division also contains a discrete delivery team that provides project delivery services and building upgrade services for the Aboriginal Housing Office (AHO), predominantly in Regional areas of NSW.

Projects delivered on behalf of the AHO are primarily for one or more Aboriginal communities and require a higher percentage of project spend to be dedicated to Aboriginal participation.

This request for Registration of Interest relates to the provision of new supply and upgrade services to the Projects Division on behalf of the AHO.

3. LAHC RESIDENTIAL BUILDERS PANEL

The purpose of creating the LAHC Residential Builders Panel is to enable LAHC staff to efficiently and effectively identify builders with residential building experience and capability to tender for building and construction opportunities.

A key requirement for consideration of inclusion in the panel is that builders must first be prequalified in the appropriate work categories under:

- SCM0256 General Construction Works up to \$1m
- SCM1461 Contractor Prequalification and Best Practice Accreditation Scheme for construction and related work valued \$1m and over.

The Panel will be in place for a period of two years prior to being refreshed.

4. WHAT DOES THIS MEAN FOR THE RESIDENTIAL BUILDING AND CONSTRUCTION INDUSTRY

This request for Registration of Interest will establish a panel of residential builders using NSW Government Prequalification Schemes to service Projects Division's annual new supply (property development), upgrade and AHO programs.

New building and construction works

The Projects Division plans to deliver up to 900 new dwellings per year for the next ten (10) years with an approximate annual budget of \$300m.

A substantial proportion of the program will involve brown-field infill development throughout Metropolitan Sydney and New South Wales. Typical projects include general and seniors housing complexes comprising of townhouses, villas and residential flat buildings of up to 50 dwellings, with an average size of 12-14 dwellings per project.

Projects Division also plans to deliver new building and construction works on behalf of the AHO, in predominantly regional areas of NSW, with an approximate annual budget of \$15m.

Upgrade program

The Projects Division plans to deliver approximately \$100m of upgrade works per year.

Building upgrade works includes roof replacements, property extensions, infrastructure works, e.g. replacement of stormwater, sewer, gas, and electrical services, window replacements, heritage and compliance upgrades, complex structural works, fire restorations, fire safety upgrades, replacement of kitchens and bathrooms, replacement of floor coverings, and internal and external painting,

Projects Division also plans to deliver upgrade works on behalf of the AHO, in predominantly regional areas of NSW, with an approximate annual budget of \$14m.

5. STANDARDS OF BEHAVIOUR

To do our job well, we rely on business partners and suppliers.

Just as LAHC expects its staff to behave ethically and comply with FACS Code of Ethical Conduct we expect high standards of behaviour from suppliers and individuals that do business with us as outlined in the [FACS Statement of Business Ethics](#).

Where the Works involve working in and upon properties occupied and used by tenants all persons must, at all times during the performance of the contract, comply with the Principal's conduct requirements which are contained in LAHC's Contractor's Code of Conduct.

6. COMMERCIAL CONSIDERATIONS

The table below sets out the key commercial considerations that contractors should be aware of in determining their interest in undertaking projects for LAHC:

Typical Contract Types	Projects delivered using: Design development & construct, design and construct contracts, traditional build-only contracts and minor works contracts.
Contract Form and General Conditions	GC-21 Edition 2 with Special Conditions MW21 with Special Conditions
Builder Licensing	All contractors must hold a current residential building license in NSW
Home Warranty Insurance	Home warranty insurance does not apply to the projects related to LAHC or AHO owned properties

Insurance Requirements	Contractors will be required to hold and maintain professional indemnity, public liability and workers compensation insurances commensurate with the type and size of any contract awarded
Security	Security under building contracts to be provided in approved format bank guarantee only

7. SELECTION PROCESS FOR INDIVIDUAL PROJECTS

LAHC are developing an electronic system that will nominate builders based on their nominated geographical area, profile of company, nominated comfortable financial capacity, type of previous work and the type of work for the current project and over time the results of contractor performance reporting on LAHC specific projects.

LAHC however reserves the right to invite organisations outside of this panel if required to meet LAHC business needs.