

Hunter Residences Commissioning Strategy

Background

New specialist disability housing is needed to replace Hunter Residences Large Residential Centres so that it is substantially completed no later than March 2018, to meet the NSW Government's commitment to fully exit direct disability service delivery by 1 July 2018.

The Hunter Residences Supported Accommodation Program will relocate 440 people from the Stockton, Kanangra and Tomaree Centres to new domestic scale homes located in the community.

All of the homes will operate independently so that people will have more choice and control over how and where they live, an important principle under the National Disability Insurance Scheme (NDIS).

The new homes will be closer to hospitals, transport and community and recreational facilities, allowing greater access to community venues, recreational and social opportunities.

Department of Family and Community Services (FACS) is building the first ten homes, and the remaining homes will be financed, constructed and managed by the non government sector.

On 20 October 2015, FACS released an Expression of Interest (EOI) seeking responses from capable and interested Non-Government Organisations to finance, build and operate new specialist disability housing for around 390 people living in Hunter Residences.

Why is FACS not building all of the houses?

Under the NDIS disability accommodation will not be owned by NSW Government nor the National Disability Insurance Authority.

New and existing accommodation will be provided and managed by Non-Government Organisations. They will receive income partly from rent and partly from the NDIS through subsidies linked to the individual people who choose to live in the homes they provide.

The NSW Government is seeking to fund the construction of the new specialist accommodation for the redevelopment of the Hunter Residences in a way that matches the approach the NDIS will use to fund disability accommodation in the future.

What will the new houses look like?

Whilst the procurement process for this housing is different to the homes built for other large residential centres redevelopment, the same type of contemporary style accommodation is intended.

FACS is implementing a vigorous market approach designed to achieve the same level or better housing than currently being achieved for other redevelopment projects.

Non-Government Organisations providing the new housing will also be responsible for their maintenance and operation, so it is expected that each home will be designed to minimise maintenance costs and last at least 40 years.

Will I still have my own room?

Yes, each house must:

- provide individual bedrooms
- be accessible from the street
- provide two separate living areas and accessible outdoor spaces
- fit into the character of the street and blend in with its surrounds
- be able to withstand significant wear and tear as might be expected from people who may have complex support needs
- have reverse-cycle ducted air conditioning
- have inbuilt fire sprinklers, and
- last for at least 40 years.

NGOs are permitted to propose alternative accommodation models, but they must meet the same outcomes as the FACS design guidelines and will be reviewed against the needs of the residents.

Will residents and families be involved in the design process?

Yes, the EOI documents are clear that the engagement of residents and families is an integral part of the design process, and that the successful organisations must undertake family consultation.

Will I still be able to choose where I live?

Having Non-Government Organisations provide the new housing will not affect NSW Government's commitment to provide new housing at resident's or families' preferred location, wherever that is possible.

The NSW Government has already provided \$58 million to enable FACS to buy all of the land that is required for the project. FACS has already purchased nearly half of the properties needed based on locational preferences expressed by residents and their families. The properties and details of resident's preferences have been detailed in the documents supporting the EOI process.

Organisations may offer other land for the new homes, but the land will be subject to NSW Government approval after being reviewed for its location and suitability.

Who will own the new houses?

The houses and the land will ultimately be owned by the NGO in line with the NSW Government's decision to exit disability service provision by June 2018.

Will all the new houses be built and managed by one housing provider?

The planning, designing, construction and commissioning of the remaining houses may be allocated to a single Housing Provider, or they could be shared among a number of organisations depending on the outcome of the market process.

Can the organisations offering to provide new housing also offer to provide disability supports and services within the new housing?

The Program is focused on providing housing solutions for the people living in Hunter Residences. In general the provision of disability services will be managed by a separate NSW Government process for Disability Service Providers. Organisations can lodge proposals that can also include providing both housing and support services.

Residents and families will be consulted before NSW Government approves any organisation to provide services. The credentials of any organisation offering to provide disability services within the new homes will also be assessed separately.

It is possible for organisations that currently provide disability services to also respond to the EOI offering to provide new houses for other disability service providers chosen by residents and their families.

If the provider of the new homes and the provider of the support services are separate organisations, the EOI will require a formalised written agreement and ongoing cooperation of both organisations.

Where will Housing Providers get their money from to build the new homes?

Organisations providing housing are required to obtain finance privately to build the new housing. They will also be required to design, obtain development consent, build, commission, and provide ongoing facilities management services.

They will pay off their loans using the following sources of income:

- a new NDIS funded subsidy for disability housing that may be called User Cost of Capital that will fund the costs of operating, maintaining and replacing these homes at the end of their economic life
- reasonable rent paid by residents, currently estimated at 25% of their Disability Support Pension;
- Commonwealth Rent Assistance if applicable

Note: Reasonable rent paid by residents will not be an amount in addition to the board and lodging they pay now, usually 75% of their Disability Support Pension. Under the NDIS, disability support providers are likely to continue charging residents board and lodging from which rent will be deducted and paid to the housing provider.

Will existing staff at Hunter Residences be able to work in these new homes?

FACS is currently finalising its approach for the Hunter Residences Redevelopment Program. Some of this will depend on the outcomes of the commissioning strategy and is linked to the broader workforce strategies under the NDIS.

FACS is committed to consult with staff, their industrial representatives through the Industrial Relations Working Party and local consultative meetings.



Organisations that provide support services to residents will be required to work with the NSW Government to explore all opportunities to transfer FACS staff who provide direct care or clinical support.

What if the market response is inadequate?

NSW Government will formulate another proposal for completing the redevelopment of Hunter Residences if the market response is inadequate.

Who can I talk to if I have questions?

The Hunter Residences Consultation Unit will keep supporting families and residents. For any further questions, you can contact the project officer who has been working with you and your family member, or alternatively contact Michele Clegg, Senior Project Officer, Hunter Residences Consultation Unit on 0423 783 755.