

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2012-13 Supplementary Estimates Hearings

Outcome Number: 2

Question No: 502

Topic: NRAS

Hansard Page: Written

Senator Payne asked:

Please provide details on the following matters relating to the National Rental Affordability Scheme:

- (a) the systems/practices the government and department have in place to monitor progress, ensure that any likely delays are brought to your attention and liaise with participants to get things moving on where there are repeated delays.
- (b) the amount of time it has been taking for reserved incentives to become allocated incentives, and any variations you have seen between jurisdictions and participants (broken down to the most detailed level for which information is available)
- (c) the number of incentives that have been withdrawn detailed by NRAS round, including the number that have been withdrawn by the department due to the participant failing to develop properties quickly enough
- (d) the amount of time you expect to elapse between the awarding of a reserved incentive and the tenanting of properties, and the amount of time after which the department will withdraw incentives due to unacceptable delays.

Answer:

(a) The Department works with approved participants to monitor progress against agreed delivery dates and other agreed performance milestones. This can include face-to-face meetings, site visits of developments under construction, telephone contact, requests for status updates, and construction and milestone reporting.

(b) The mean average amount of time (as at 30 September 2012) it has taken for a reserved incentive (an offer is made to an approved participant) to become an allocated incentive (the dwelling is delivered) is 551 days.

The mean average amount of time it has taken for a reserved incentive to become an allocated incentive by jurisdiction is:

Jurisdiction	Average (days)
Australian Capital Territory	382
New South Wales	480
Northern Territory	680
Queensland	556
South Australia	549
Tasmania	747
Victoria	651
Western Australia	628

Note data as at 30 September 2012

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The department has not undertaken an analysis of delivery times by approved participant.

It should be noted that the amount of time it takes for a reserved incentive to become an allocated incentive varies depending on the status and nature of the NRAS project at the time a reserved incentive is offered.

(c) Withdrawn incentives, as at 30 September 2012:

Funding Round	Number offered for withdrawal by approved participant	Number withdrawn by Department	Total
Round One	515	197	712
Round Two	1,846	112	1,958
Round Three	566		566
Round Four	104		104
Total	3,031	309	3,340

(d) See answer for (b) above.

The Department considers each request for an alternate date (for delivery) on a case-by-case basis. In considering requests for additional time, the delegate of the Secretary considers a range of factors including:

- the delivery status of the project and whether any tangible construction milestones have been achieved, such as whether:
 - land is secured;
 - development planning approval has been received;
 - finance or the necessary level of pre-sales have been secured; and
 - construction has commenced.
- the lapse of time since the delivery nominated in the original application;
- whether the relevant state or territory government supports the alternate date; and
- whether delays have been due to external factors outside of the control of the approved participant.