



Government of Western Australia
Department of Communities



Regional Grants Round via Calls for Submissions Guidance Note for Community Housing Refurbishments

September 2024

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1. Introduction

1.1 Background

The Department of Communities (Communities) is eager to support and fund Non-Market Housing projects in Western Australia. The Call for Submissions (CFS) processes are part of several initiatives that are seeking to carry forward this mandate.

Non-Market Housing proposals can be submitted through the established Call for Submissions from Community Housing Providers (CFS-CHPs) which launched on 19 September 2023, and the Call for Submissions from Local Governments (CFS-LG) which launched on 2 September 2024

The State Government has committed to a delivery target of 4,000 new social housing dwellings as part of a broader \$2.6 billion funding boost. **A Regional Grants Round has commenced for regional projects that may be submitted under either of the above Call for Submissions processes.** As announced by the Minister for Housing on 15 March 2024 **the Regional Grants Round will comprise up to \$50 million in grants available** under these two CFS processes to help increase the supply and diversity of new and refurbished community housing across regional Western Australia.

The Regional Grants Round is underpinned by the following strategic drivers:

- **Demand for community housing in regional locations:** Regional areas have a strong need for community housing, challenging delivery dynamics and a continued need for increased supply to address waitlist demand.
- **Limited and increasingly costly private rental market stock** which is limiting options for low-income individuals and households. A range of complex factors are driving these market conditions.
- **Increased costs to deliver new or upgrade existing dwellings** due to regional price variations, exacerbated by the availability of trades and labour conditions.
- **Prospective pipeline of projects in regional locations:** Communities is aware that there is a commitment to grow the supply of community housing in regional WA and that CHPs and local governments are actively progressing proposals.

The targeted focus of the Regional Grants Round is in response to significant demand and the above drivers for delivery in regional areas.

Grants are available for both new builds and refurbishment projects. Registered CHPs are eligible to lodge submissions for consideration of regional grant funding for both new builds and refurbishments.

1.2 Overview

The Regional Grants Round provides funding for regional community housing projects (new builds and refurbishments) lodged through the Call for Submissions processes by registered CHPs and regional local governments. These projects will ideally be sufficiently progressed towards development approval (DA) and builder/ trades appointment, to contribute to the timely upgrade and delivery of community housing. Communities is furthering its successful relationship with registered CHPs and local governments by making grant funding available for the delivery of new community housing in the following regional areas:

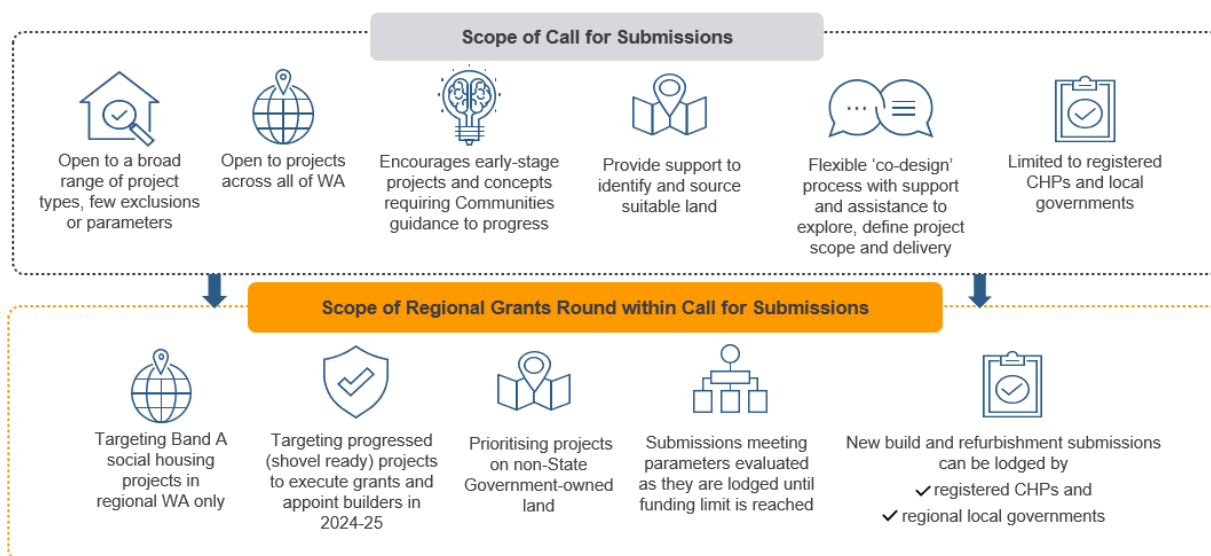
- South West
- Great Southern
- Wheatbelt
- Goldfields
- Midwest-Gascoyne

- Pilbara
- the Kimberley.

1.3 Scope of the Regional Grants Round within the Call for Submissions

The Department’s CFS processes seek to work with Respondents to support the development of housing projects that align to Communities’ requirements. Currently, all registered CHPs and local governments are invited to submit proposals. The CFS-CHP and CFS-LG processes are open to projects across WA, including in metropolitan, regional and remote locations.

The scope of this Regional Grants Round funding opportunity however, is limited to regional locations only and is outlined in the diagram (in orange) below:



1.4 Key parameters of the Regional Grants Round for refurbishments

The Regional Grants Round applies to new builds and refurbishment projects in regional WA only. The table below provides the parameters for refurbishment projects seeking funding through the Regional Grants Round:

Parameter	Regional refurbishments
Use of funds	Major refurbishment works on existing dwellings. Up to 5% of the grant funding can be used for the procurement of external professional consultancy services, such as project management.
Housing type	Restricted to community housing for Band A tenants in accordance with the Community Housing Income and Assets Limits (CHIAL) Policy 2024.
Eligibility	Registered CHPs under the WA Community Housing Regulatory Framework.
Land	No restriction on land type
Project stage	Advanced, with <ul style="list-style-type: none"> ✓ project scoping completed and ✓ builders/trades quotes received

Parameter	Regional refurbishments
Grant size	Major refurbishments that materially extend the useful life, or improve the amenity of the dwelling, indicatively within a cost range of \$75,000-150,000 (excluding GST), to be determined at the absolute discretion of Communities. Minor refurbishments can also be considered depending on funding availability.
Community housing tenure term	Long term tenure commensurate with the level of investment sought via a grant.
Role of Communities during the various phases including project definition, enablement and delivery	Assistance, support, advice and enablement may be provided by Communities as required (as specified in the CFS-CHP documentation)

2. Submission and evaluation – refurbishment proposals

2.1 General submission requirements

Respondents with projects that meet the above parameters for refurbishments in regional WA are encouraged to lodge submissions as per the requirements for the CFS process, specifically:

- For registered CHPs with refurbishment proposals, the requirements set out within the [CFS-CHP Part 1 Guidelines](#), [CFS-CHP Part 2 Submission Form](#) and [CFS-CHP Part 3 Terms & Conditions](#).
- For regional local governments with refurbishment proposals, the requirements set out within the [CFS-LG Part 1 Guidelines](#), [CFS-LG Part 2 Submission Form](#) and [CFS-LG Part 3 Terms & Conditions](#).

Respondents must first contact Communities to discuss and define projects to determine whether they meet the eligibility requirements of the Regional Grants Round, prior to submission.

Registered CHPs can visit the [Department of Communities website](#), or email CFS-CHP@communities.wa.gov.au for more information. Local governments can visit [Department of Communities website](#) or email CFS-LG@communities.wa.gov.au for more information.

Further details Respondents should be aware of are as follows:

- The evaluation criteria and submission form requirements – as stipulated in the Part 1 Guidelines and Part 2 Submission Form documents – will apply for eligible projects under the Regional Grants Round in addition to the requirements detailed in Section 2.2 below.
- CHPs must be registered under the WA Community Housing Regulatory Framework to be considered eligible for a grant application. Noting submissions involving multiple organisations, including those involving an unregistered CHP or provider of support services, are permitted, provided that the Primary Respondent is Registered.
- Respondents are encouraged to lodge submissions to refurbish community housing in regional WA.
- The Evaluation Process is non-competitive, and submissions received will be evaluated on merit to determine which submissions, in the sole opinion of Communities (and at its absolute discretion), offer the best outcomes which align with Communities broad objectives, requirements and preferences as outlined in the corresponding CFS-CHP Part 1 Guidelines. Communities will evaluate submissions in line with the CFS timelines as and when they are received. Funding is currently limited therefore; Communities recommends that interested Respondents lodge their submission (s) as soon as practical for consideration. Additional information, clarifications and undertakings

may be completed by Communities as part of the evaluation process. Following Communities internal processes and determination, Respondents will be notified of the outcome in writing.

- A bespoke Grant Agreement template has been developed for refurbishment projects, for the Regional Grants Round. Respondents that contact the Communities Call for Submissions inboxes, for the Regional Grants Round, may request a copy of this Grant Agreement template for consideration prior to lodging a submission.

2.2 Specific submission information for refurbishment projects

2.2.1 Entity Type

Respondents must be a registered CHP under the WA Community Housing Regulatory Framework.

Communities will consider submissions from a single entity, partnership or consortium. The lead Respondent must be an eligible entity and provide details on how a grant will be managed under a partnership or consortium arrangement.

2.2.2 Community housing occupants

Communities is seeking refurbishments that benefit community housing occupant groups including but not limited to Aboriginal and Torres Strait Islander people, seniors, people with disability, families and singles having trouble accessing housing.

Community housing occupants must meet Band A eligibility limits as per the CHIAL Policy 2024.

2.2.3 Asset ownership

Asset ownership types eligible for refurbishment grants include:

- CHP-owned assets, Communities-owned assets and assets that Communities has an interest in; or
- Leased properties. Respondents will need to provide lease agreements and evidence that the asset owner and lessee have a binding agreement that the refurbishment work is accepted, and the asset will be used for a minimum of 20 years post completion of refurbishment.

In addition, properties must be located in regional WA in one of the eligible regions (as set out in section 1.2).

2.2.4 Dwelling types

Respondents can apply for refurbishments for individual self-contained dwellings that can be easily identified by a property address. This includes the following dwelling typologies:

- houses
- individual units, apartments and villas, including common areas
- semi-detached dwellings.

2.2.5 Scope of refurbishment works

Major refurbishment projects seek to extend the useful life of existing community housing, to improve the function of the dwelling and improve living conditions for tenants and residents.

For the Regional Grants Round, eligible refurbishment items include:

- upgrades to kitchens, bathrooms and laundries
- roof upgrades
- flooring replacement or upgrades
- painting, tiling, glazing, plaster work
- site preparation, including clearing or demolition
- landscaping and car parking

- fixed fittings and fixed equipment
- removal of contaminants on project sites (e.g. asbestos/arsenic)
- double glazing and insulation
- fencing
- accessibility improvements
- alfresco areas and verandas
- temporary storage of tenant possessions during works.

Respondents should engage with Communities if the scope of their proposed refurbishments works is not covered in the above list to determine next steps and eligibility under the Regional Grants Round.

2.2.6 Minimum specifications

All projects must comply with Australian Standards, [National Construction Code](#), [Disability \(Access to Premises - Buildings\) Standards 2010](#) and [Health Act 1911 \(WA\)](#) as relevant to the project. It is also recommended projects achieve a minimum of 7-stars in the Nationwide House Energy Rating Scheme (NHERS) where feasible.

2.2.7 Project management costs

Project management costs can be incorporated into the grant funding request. Up to 5% of the proposed project cost can be used for the procurement of external project management services.

2.2.8 Exclusions

A grant issued through the Regional Grants Round cannot be used for the following activities:

- projects that have already commenced
- the cost of relocating tenants while refurbishment works are underway
- purchase of cars, buses and other vehicles
- staff salaries and training
- information technology costs
- loose furniture (non-fixed)
- purchase of land
- facilities for the service of alcohol or conducting of gaming activities
- non-land-based facilities.

2.2.9 Information to be included in Regional Grants Round submissions

For refurbishment projects to be considered for the Regional Grants Round funding, Communities requires the following additional/complementary information from Respondents:

- a) All supporting costing information including two (2) quotes per refurbishment item (quotes can be itemised if contractors are able to do multiple works where possible e.g., kitchen and laundry refurbishment) or a Quantity Surveyor report.
- b) Photos of the areas that need refurbishment, titled correctly.
- c) Description of how the refurbishment will improve living conditions for tenants and residents; prolong the useful life of existing assets; and the rationale for undertaking the works.
- d) Description of the planned approach to tenant relocation (if required) and how this will be managed in relation to the refurbishment scope/s of work.
- e) The Respondent's last two (2) full years of audited financial accounts and strategic plan.

- f) Evidence of property lease or ownership.
- g) For leased properties, evidence of a binding agreement that the proposed refurbishment is supported by the asset owner, and that the dwelling will be used for community housing purposes for a term commensurate with the level of investment being sought via a grant.
- h) Project activities or costs that have been, are being, or will be funded by other Commonwealth programs or State, or Local Government bodies. If any of the Respondent's proposed activities are included in an application for funding that is under consideration through another program at the time of application, the Respondent must declare this at the time of submission and identify the program/s in question.
- i) A condition report of the property (if available) and stage and evidence of approvals.

The above information should be provided within the Project Explanation Report lodged with the Submission Form, and evidence attached as Appendices.

2.2.10 Refurbishment Grant Requirements

Subject to a submission being approved for grant funding through the CFS process, Respondents should be aware of the following:

Claims and payments

Progress payments allow Communities the opportunity to monitor and review the work at specific stages and at completion of the works:

- Stage 1 – Upfront payment made once the Grant Agreement has been signed, Communities has obtained ministerial, and all other internal approvals and the Respondent has secured the required tenure to the land (20%)
- Stage 2 – Payment upon appointment of a contractor to undertake the refurbishment works (20%). Building contract must provide for the works to commence within 90 days of execution of the Grant Agreement.
- Stage 3 – Payment upon completion of 50% of the works (25%)
- Stage 4 – Payment upon completion of 75% of the works (25%)
- Stage 5 – Payment upon completion of works (10%).

Commencement of refurbishment works by a contractor within three months of grant execution will be a condition of the Grant Agreement.

Project reporting requirements

As a condition of the refurbishment funding, Respondents must comply with project monitoring and reporting requirements, including:

- Status reports to provide an update on progress, updating proposed, forecast and actual dates for project milestones, flagging risks and issues, and providing the required evidence when payment milestones have been met. Reports should be provided at the cadence specified in the Grant Agreement.
- Advising Communities in advance of key milestones and providing opportunities for public communication of these milestones.
- Advising Communities of scope changes (relating to time, cost and project scope) by completing and submitting a variation form.
- Site inspections, meetings and teleconferences with Communities staff or representatives if required.

- Production of the appropriate contracts, receipts and/or invoices for the specified works when requested.

Extension of project dates or variations of approved grants

Communities acknowledges that project scopes and dates can change throughout the duration of a project. Respondents will be required to follow a request for variation process when requesting an extension or variation of their project, and approval of variations is not guaranteed.

3. Definitions

Community Housing means housing for people on a very low, low, or moderate income or for people with additional needs that is delivered by non-government organisations.

Community Housing Provider means an organisation that provides Community Housing. Any reference to Community Housing Providers (CHPs) in this document should be taken to mean those Registered, unless otherwise specified.

Community Housing Regulatory Framework means the administrative system of registration and regulation for Community Housing Providers established by Communities.

Contract means the or any legal Contract(s) between the Respondent(s) and Communities that is proposed or executed to facilitate any outcomes associated with a Submission and the CFS-CHP. This does not include a Memorandum of Intent or Memorandum of Understanding or similar.

Evaluation Process means the process outlined in these Guidance Notes by which Communities may consider and Evaluate Submissions.

Grant, Grant Agreement or Agreement. Due to the varied and complex nature of funding arrangements across government, it is somewhat difficult to clearly define a Grant, but in general terms 'a Grant is a financial assistance arrangement made for a specific purpose or project'.

Non-Market Housing is an umbrella term that typically means forms of housing not available in a typical private market process and includes, but is not limited to, Social Housing, Key Worker Housing, Service Worker Housing, Government Regional Officer Housing, and Local Government Officer Housing.

Primary Respondent means the Community Housing Provider that is the lead Respondent and authorising party of any Submission that may be partnering with another CHP. The Primary Respondent is the primary point of contact and lead party with respect to any correspondence in relation to a Submission.

Project Explanation Report is a succinct report/package provided by the Respondent as part of the Submission (not to be confused with the Submission Form), addressing the Project Evaluation Criteria. Whilst no page limit applies, Respondents are encouraged to limit the Project Explanation Report to 20 pages or less.

Project Evaluation Criteria means the criteria listed in these Guidelines that will influence any CFS Determination in the Evaluation Process.

Registered (and conversely unregistered) means the same as that as defined in the Community Housing Regulatory Framework.

Respondent means the legal entity/entities lodging, or considering lodging, a Submission in response to these Guidelines.

Social Housing is an umbrella term that refers to all housing that is targeted towards low-income households and provides a subsidy that tenants pay no more than 25% of their income on rent and is generally used to describe both public housing provided directly by Communities and community housing provided through partnership/agreement with CHPs.

Submission means a formal response submitted to Communities in response to and in accordance with this Guidance Note.