

MINUTE PAPER

165

SUBJECT: REDEVELOPMENT - NARRABUNDAH PRE FAB AREA

REF: H76/108

20 JAN 1978

Commissioner

Through: Director
Housing Administration

Reference Folios 151 - 152

The suggestions as put forward by the National Capital Development Commission regarding the redevelopment of the Narrabundah Pre-Fab area generally accord with the Department's views. Particularly with regard to the area remaining as residential for the foreseeable future, and that the houses need some attention.

The only difference of opinion is that the Commission are against demolishing the houses in Section 104 - 107 and are suggesting that they be upgraded along similar lines as suggested by the Department for the balance of the area.

The houses in the area have been inspected jointly by Commission and Housing Branch officers and the National Capital Development Commission are confident that they can overcome the shortcomings in the house designs at a reasonable cost.

The National Capital Development Commission are also suggesting that design work commence immediately with a view to commencing the upgrading programme in the 1978/79 financial year. This could be a little optimistic given the amount of work already committed against next year's programme. It is still questionable that the Commission's suggestions for the area ~~is~~ the most suitable. Further investigations etc. are warranted.

The Commission, in their submission, also make reference to rentals currently being charged for these houses and suggest that they work against the area being considered as "bottom of the scale" housing, presumably on the grounds that the rents being charged are not "bottom of the scale" at \$27.65 for a two bedroom house and \$30.10 for a three bedroom.

There would appear to be three courses open to the Department, i.e.

- (a) Continue as at present for the next few years, do as little as possible to the houses consistent with keeping them in a habitable and well maintained condition, minimal upgrading such as the installation of space heating and water heating appliances on a "as required" basis may be necessary.

It may also be necessary to examine rental levels of these particular houses in order to attract tenants.

- (b) Go ahead with the redevelopment programme as proposed by the Department.
- (c) Take the National Capital Development Commission's advice and implement a major modification/upgrading programme to bring the houses up to a more acceptable standard.

All of these courses have their problems. The houses, if largely left as they are, will continue to bring criticism of "ghettos", "slums" etc., and unless tenants can be found for the houses a continuing high rate of vacancies and resultant loss of rental revenue and vandal damage can be expected.

As at 13 January 1978, 13 three bedroom and 15 two bedroom houses were vacant ready for allocation. These vacancies exist despite special conditions of tenancy in that any person allocated a Narrabundah Pre-Fab may remain on the normal waiting list for a normal allocation, the short waiting time for allocation and the houses themselves being the lowest rental in the housing stock.

The proposal to demolish the houses on Sections 104 and 107 and replace them with new houses will bring a certain amount of outcry and resistance from those tenants, and there is a surprising number of them, who obviously take pride in their little houses and keep them in good condition with well developed and maintained grounds. Furthermore, many of the houses in Sections 104 to 107 have just undergone cyclical repairs and painting and are in good condition. The Department would be hard put to defend demolition on the grounds that they no longer provide acceptable accommodation as against adequate housing.

A further argument against demolition and rebuilding is that the new houses would probably attract a higher rental than the existing houses and so defeating the aim of retaining the area for low rental housing.

The main argument against the National Capital Development Commission's proposal is that even after spending a large sum of money on modification, the houses could still be unacceptable, as distinct from unsuitable, to applicants for Government rental housing.

A final decision on the redevelopment proposals for the Narrabundah Pre-Fab area is not immediately required. However, a decision will need to be made eventually given the continuing difficulties of allocating the houses in their present form and the simmering criticisms of the Department for keeping such "poor" housing and continuing to offer such accommodation to applicants for Government housing.

With regard to the long term solution it is suggested that the National Capital Development Commission be asked to investigate both proposals more fully with a view to establishing the costs involved as against the final result. Particularly "tenant acceptability" and final level of rentals. In the interim normal maintenance and minimal upgrading, such as the installation of space heaters and water heating appliances, should be undertaken.

Further, it may be appropriate to have the rents charged reviewed to take into account the present difficulties in attracting tenants. As a first step it may be appropriate to ask for an assessment of the current rental value from Taxation Office. It may also be appropriate to set a "special" and artificially low rent, with a view to providing an area of low rent, and lower than normal standard housing in Canberra. Such housing could be used to provide alternative housing for families having difficulties in meeting

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rental payments in other areas of Canberra.

It is also suggested that the Minister be informed of these proposals and a draft submission to this effect is attached.

RECOMMENDATIONS

1. That for the time being normal maintenance and minor "upgrading" only be carried out on the Narrabundah Pre-Fab houses.
2. That National Capital Development Commission be asked to carry out further studies on -
 - . A demolition and re-build programme for Sections 104 and 107.
 - . An extensive renovation programme as suggested by them.
3. That the rentals currently being charged at Narrabundah -
 - . be reviewed by Taxation Valuers,
 - . the basis of rental assessment be reviewed.

The aim of the above is to establish a specific area of low rental housing not providing a standard of amenity offered in other areas of Canberra.

4. That the Minister be informed of these actions. - *a draft submission is attached.*



T.C. Love
Assistant Director
Housing Administration

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DRI 9/12



Mr. R. Pelle
18 Kootara Cres,
NARRABUNDAH. A.C.T

The Prime Minister,
Parliament House,
Canberra A.C.T.



Dear Mr. Prime Minister,

As a resident and shopkeeper of Narrabundah I must appeal to you, to let me know what the Government has in mind to do with the old fabros houses of Narrabundah.

As a local shopkeeper I know that many of these houses are empty, due to the cost of the high rent which is far too much for houses of this kind. My bussines as well as the others is loosing money due to too many shops and not enough people to support us all.

There are already five empty shops in Narrabundah, which had to close their doors due to the lack of bussines, I wonder who is next?

May I suggest that all the old houses be demolished and replaced with new ones or give the minamun rent or even free rent, so as to bring some more population to the Narrabundah area and improve bussines.

No Action Required
Yours faithfully

Rocco Pelle
28/2/78

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DEPARTMENT OF THE CAPITAL TERRITORY

CORRESPONDENCE FROM :

Mr R. Pelle

The Minister

The attached draft reply to the abovementioned correspondence is submitted for your signature.

Em

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5 APR 1978
Secretary's Office
Dept. of the Capital Territory

at *EPO'Brien*
COMMISSIONER FOR HOUSING
Secretary

8/4/78
Mr Daniels

would I have a discussion with you about vacant flat houses &

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The correspondence advised that the matter has been brought to your notice. However, no commitment to a reply was implied.

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Rocco Belle
28/2/78

Information

5. Comments

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Narrabundah. This aspect is being considered by officers of the Department of the Capital Territory. I am sure you will appreciate, however, that a policy of awarding to that of all could not be contemplated.

8 APR 1978

Yours sincerely,

Dear Mr Pelle,

Secy R. E. ELLICOTT

You wrote to the Prime Minister on 28 February 1978 making certain suggestions concerning the Government-owned prefabricated dwellings at Narrabundah. As Government housing matters in the A.C.T. come within my area of responsibility, your letter was forwarded to me for consideration and reply.

It appears that the present economic climate has contributed to a higher vacancy rate than normal in respect of Government houses and flats. Following vacation dwellings usually require maintenance and cleaning. Because of this and for other administrative reasons some time must necessarily elapse before they can be relet. So it is unavoidable that at any time some Government houses and flats are vacant although periods of vacancy are kept to a minimum.

There is an added difficulty with the prefabricated dwellings at Narrabundah in that they are regarded generally as only temporary accommodation pending the allocation of more suitable housing. As a consequence, they tend to be vacant more often than other Government accommodation. However, every effort is made to reallocate them as soon as possible to tenants requiring such accommodation.

Thank you for your suggestion about replacing the prefabricated dwellings with modern houses. The future of the area where these dwellings are located is presently under consideration. Redevelopment of the area would be a large and complex project and a great deal more thought is necessary before firm plans can be made.

Government rents are now moving toward market levels but perhaps there is a case for taking a modified approach to rents for the prefabricated dwellings at

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DEPARTMENT OF THE CAPITAL TERRITORY

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CORRESPONDENCE FROM

Narrabundah. This aspect is being considered by officers of the Department of the Capital Territory. I am sure you would appreciate, however, that a policy of charging no rent at all could not be contemplated.

Yours sincerely,

The enclosed draft copy of the abovementioned correspondence is submitted for your signature.

(Sgd.) R. J. ELLICOTT

R.J. Ellicott
Minister for the Capital Territory

Mr R. Pelle,
18 Kootara Crescent,
NARRABUNDAH, A.C.T. 2604

RECEIVED
5 APR 1978
Secretary's Office
Dept. of the Capital Territory

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Handwritten signature: Pelle