

27 March 2020



Australian Institute of Architects

The Hon Gladys Berejiklian MP
Premier
GPO Box 5341
Sydney NSW 2001

Dear Premier

COVID-19 Stimulus Package

I'm writing on behalf of the Australian Institute of Architects (NSW Chapter) and to commend you on the leadership your government is providing in this most trying time, and to offer the Institute's support in any way practicable.

We welcome the legislative changes temporarily adopted in Parliament through the COVID-19 Legislation Amendment (Emergency Measures) Bill 2020 and are appreciative of efforts by the Department of Planning, Industry and Environment to ensure close consultation with peak bodies. We look forward to continuing to work together with DPIE during this challenging time.

As you are aware, the NSW construction industry contributes enormously to our local economy. As such, stimulus measures aimed at the built environment are an excellent way to leverage monies into the economy, as was seen during the GFC stimulus packages. In order to ensure that COVID-19 Stimulus Package yields the strongest result, we strongly urge the government to implement the following measures and approaches.

- 1 Bring forwards infrastructure and capital works programs that can feed into the construction industry. In particular, we identify that social housing, NDIS related accommodation, education, health, infrastructure and public transport related projects should be brought forward and accelerated.
- 2 Construction sites with building classifications 2-9 (*National Construct Code*) should be classified as essential services, as these classifications are all capacity building. We have discussed site management with a number of major Contractors, who are confident that Construction Management Plans can cater of the proximity issues of that required by recommended distancing. We note that generally, sites already have high levels of mandated protective equipment, and safe work practices generally incorporates some form of distancing.
- 3 The implementation of the 2019 National Construction Code, due for adoption in May 2020 should be delayed for 6 months. Many projects are currently being assessed for Construction Permits prior to the cut-off date of 1 May. With the strain the system is currently under, these approvals are significantly threatened. Re-documenting buildings in line with NCC 2019 will cause significant extra costs and delays to the project.

- 4 Clarification of Extension of Time Claims and relaxation of Liquidated Damages within construction contracts. While this is covered under most Force Majeure clauses within contracts, a State Solicitors briefing note will create surety in this regard.
- 5 Implement Buy Local policies. It is essential, where possible, that local services and products are utilised in the construction process, and this should be advantaged in any bidding procurement process.
- 6 Utilise panel schemes. Tendering for projects is time consuming and costly for practices. To streamline the delivery of large-scale stimulus we urge government to make far more extensive use of robust and equably run pre-existing panel schemes. The Institute endorses the GANSW pre-qualification scheme and the Consultants in Construction scheme, both of which allow single invited tenders. We also recommend that through these schemes rural and regional practitioners be supported in obtaining local work to promote local economies in turn.
- 7 Implement agreed fee scales. Fees have been driven down to unprecedented low rates in recent years. Further fee bidding in this fragile economy will only result in poorer outcomes in terms of delivery and quality as practices struggle to stay afloat. It is essential for the government to put a floor under fees that ensures value for money while maintaining quality.
- 8 Improve local government procurement processes. Currently we are aware that many local governments are struggling to appropriately brief and procure projects, as these resources simply are not within the Local Authority. We urge the government to implement standardised Expression of Interest and Request for Tender Documents.
- 9 Ensure any government design competitions compensate participants appropriately and are not unnecessarily burdensome. Design competitions have the ability to provide paid work for multiple teams, however, in order to provide fair conditions they must be conducted such that: participants are properly compensated (ie fees must more than cover the costs of participation); the number of participants is limited (we suggest three); deliverables are reduced and strictly limited, with additional materials not accepted; timeframes are reduced to align with the reduction in deliverables; and participation prioritises local practices, as per a Buy Local policy.
- 10 Fast track Planning Approvals. Approvals are essential for projects to move forward and should be included in the essential services category to ensure a continuing pipeline of projects and business. We note that many projects are being held up with local government design review processes. We strongly endorse a robust design review process as they are known to speed up the planning system and improve built environment quality when they are well run. However, we believe that in the current circumstances there is opportunity to leverage industry services in order to fast track design review panels. The Institute can propose appropriately qualified assistance and the Government Architect NSW is also well placed to provide assistance through the pre-qualified pool of design review experts.

The Institute is currently working with organisations across the built environment to gain a consensus view as to how to expediate stimulus into the system, and to identify other opportunities to improve efficiency. These conversations are underway in every state and at a national level which will draw together an enormous amount of experience, insight and good will.

Please do not hesitate to contact me directly or indirectly for any assistance we can offer.

A handwritten signature in black ink that reads "K. Loseby". The signature is written in a cursive, flowing style.

Kathlyn Loseby FRAIA
NSW CHAPTER PRESIDENT
AUSTRALIAN INSTITUTE OF ARCHITECTS

cc: The Hon Rob Stokes MP – Minister for Planning and Public Spaces
Marcus Ray – Deputy Secretary, Planning and Assessment, DPIE
Michelle Weiss – Director Strategic Projects, Cluster Priorities, DPIE
Abbie Galvin FRAIA – Government Architect NSW