



**The Hon. Anthony Roberts MP**  
Minister for Planning  
Minister for Homes

Ms Helen Minnican  
Clerk of the Legislative Assembly  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Via email: [helen.minnican@parliament.nsw.gov.au](mailto:helen.minnican@parliament.nsw.gov.au)  
Cc: [pac@parliament.nsw.gov.au](mailto:pac@parliament.nsw.gov.au)

Dear Ms <sup>*Helen*</sup> Minnican,

Please find enclosed a copy of the NSW Government's response to the report – Follow up Review of the Management of NSW Public Housing Maintenance Contracts.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'A Roberts', written over the typed name.

**The Hon. Anthony Roberts MP**  
Minister for Homes

Encl. NSW Government Response – Follow up Review of the Management of NSW Public Housing Maintenance Contracts

**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

Table 1: Responses from LAHC & DCJ to Recommendations of PAC

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>1. That the NSW Land and Housing Corporation appoints local managers to improve public housing tenant liaison and assist with problem solving at a more responsive and locally based knowledge level.</p>	<p><b>Supported in principle</b></p>	<p>The NSW Land and Housing Corporation (LAHC) is exploring options to improve local level liaison with tenants and for improving responsiveness in relation to maintenance issues.</p> <p>LAHC has regional staff in place with responsibility for responding to and resolving escalated maintenance issues with tenants. LAHC established the Contractor Contact Centres to capture the high volume of maintenance requests and in turn, refer them to locally based trades to attend and resolve.</p> <p>The Department of Communities and Justice (DCJ) tenancy managers provides to tenants, at the commencement of a tenancy, the contact details for maintenance issues, emergency numbers and for their DCJ Client Service Officer.</p> <p>In some locations, local tenant representatives are appointed with access to coordinated escalation pathways within DCJ and LAHC to resolve maintenance issues.</p> <p>LAHC is preparing for a new maintenance contract and as part of this is examining ways to improve local tenant liaison to assist with problem solving about their maintenance matters.</p>
<p>2. That the NSW Land and Housing Corporation and the Department of Communities and Justice conduct a cost benefit analysis of the current separation of public housing maintenance and tenancy services to determine whether a comprehensive service should be provided by a single agency.</p>	<p><b>Supported in principle</b></p>	<p>The NSW Government continually reviews arrangements to ensure there are good service delivery outcomes in social housing. A cost benefit analysis is not necessarily the best way to understand and ensure good service delivery outcomes are delivered.</p> <p>Implementation of many of the Committee's recommendations, combined with work already underway, will address the issues highlighted in the Committee's report.</p>



**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>3. That the NSW Land and Housing Corporation conducts a review into the responsive repair process in order to remove duplication and facilitate better service delivery.</p>	<p><b>Supported</b></p>	<p>A number of LAHC and DCJ teams at a district level continue to be co-located and staff across agencies share information technology platforms, which supports joined up service delivery.</p> <p>As provided in evidence to the Committee, LAHC has implemented an extension to the current maintenance contract (the AMS Contract), which includes 19 contract enhancements to improve tenant outcomes, and revised KPIs related to enhanced audits of service delivery. This extension requires contractors to keep detailed and specific records along with evidence of work required and completed.</p> <p>Audits are conducted monthly on each contractor. Failure against these KPIs can result in abatements. This new section of the performance management framework of the AMS Contract is intended to drive improved service delivery and better value for money.</p> <p>In developing the new maintenance contract LAHC will review the responsive maintenance process to identify any opportunities to remove duplication and improve service delivery.</p>
<p>4. That the NSW Land and Housing Corporation and the Department of Communities and Justice provide a progress report on the Revised Contractor Scripts and their effectiveness in improving communication between tenants, call centre operators and contractors.</p>	<p><b>Supported</b></p>	<p>LAHC will lead the response on this issue and will provide the Committee with a progress report by 31 October 2022. The update will outline the results of revised scripts that were implemented in July 2021 as part of the AMS Contract extension. Analysis to date suggests positive feedback and a downward trend in complaint numbers.</p> <p>The new scripts focussed on improving communication by informing the tenant of one of three outcomes:</p> <p>a) An assessment has been completed and no works are required</p>

**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>5. That the NSW Land and Housing Corporation and the Department of Communities and Justice provide a progress report on the effectiveness of the project 'Set for Success', and improvements in communication with tenants in relation to responsive and planned maintenance.</p>	<p><b>Supported</b></p>	<p>b) Works are required, a recommendation has been made and advice will be provided within 3 months            c) Urgent works are required and a contractor will attend on a specified date.</p> <p>Based on identified results of revised scripts, further changes may be considered as part of ongoing contract negotiations with AMS Contractors. LAHC has dedicated staff who contact tenants about LAHC's decision, any works approved and the timeframes for the completion of work. A record of the outcome is also provided to the tenant.</p> <p>DCJ has worked in partnership with LAHC to deliver enhanced system capability to its Client Service mobile app "iVY", allowing staff to view and record property and support information during Client Service Visits and follow-up visits.</p> <p>The new Set for Success features will be released to a pilot group in March 2022 after being postponed due to previous COVID restrictions.</p> <p>DCJ staff complete a mandatory visit to all new tenants at 8 weeks, and the app supports tenancy checks of the property and conversations with tenants to ensure they understand their obligations as tenant, identify any maintenance concerns and to identify if they require support to assist them during their tenancy.</p> <p>The app provides on-site capability to record any property care concerns such as mould, pests, leaks, visual damage or other matters that may require an urgent response. All data recorded is automatically updated to backend systems for follow up and reporting, ensuring all issues are actioned.</p> <p>The new features include a suite of digital communications to assist clients in maintaining property care including reporting maintenance issues, accessing a range</p>



**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>6. That the NSW Land and Housing Corporation develops policies and KPIs requiring contractors to keep tenants informed of the progress on maintenance requests. In the case of planned maintenance, contractors should provide tenants with an expected timeframe.</p>	<p><b>Already implemented</b></p>	<p>of videos to support good property care, lodging repair requests, managing rent payments and updating tenancy details.</p> <p>In addition, a new feature will be piloted which will issue a schedule of automated targeted communications and educational material to new tenants in the first six months of their tenancy. Topics will include rubbish removal, maintenance and property inspections. Educational materials or videos can then be sent via links throughout the life of the tenancy.</p> <p>As part of the of the AMS Contract extension, new processes and scripts have been implemented requiring contractors to keep tenants informed of the results of technical inspections and scoping activities and the progress of their maintenance requests (See response to Recommendation 4).</p>
<p>7. That the NSW Land and Housing Corporation, the Department of Communities and Justice and AMS contractors develop and implement specific procedures when escalating repair maintenance requests to NSW Land and Housing Corporation or Department of Communities and Justice, with a particular focus on keeping tenants informed about progress of the maintenance request.</p>	<p><b>Already implemented</b></p>	<p>Through the extension of the AMS Contract, LAHC has led improvements to communication with tenants through enhanced Contractor scripting to keep tenants better informed of the progress of their maintenance work. The scripts also enhance the procedures for escalating repair requests.</p> <p>Contract enhancements at time of extension also include transferring the ability to extend the time or cancel a work order solely to LAHC and a cap on the value on associated works all of which provide LAHC with greater visibility and control over tenant outcomes. These requirements are linked to an audit regime under revised KPIs which are linked to abatements.</p> <p>Dedicated LAHC staff are responsible for both resolving and liaising with tenants and contractors about escalated maintenance issues. Monitoring of escalated</p>

**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE														
8. That the NSW Land and Housing Corporation and the Department of Communities and Justice consult with the NSW Ombudsman to improve their complaints-handling procedures, with a particular emphasis on	<b>Supported</b>	<p>LAHC and DCJ are committed to continuous improvement in complaints handling. To support this both agencies will consult with the NSW Ombudsman on the topic, with an emphasis on communication.</p> <p>LAHC will further examine these issues in the new maintenance contract.</p> <div data-bbox="466 1003 1050 1962" data-label="Figure"> <p style="text-align: center;">Complaint Data Q1 and Q2 - 2021/22 FY</p> <table border="1"> <caption>Complaint Data Q1 and Q2 - 2021/22 FY</caption> <thead> <tr> <th>Month</th> <th>Number of Complaints</th> </tr> </thead> <tbody> <tr> <td>Jul-21</td> <td>180</td> </tr> <tr> <td>Aug-21</td> <td>140</td> </tr> <tr> <td>Sep-21</td> <td>170</td> </tr> <tr> <td>Oct-21</td> <td>120</td> </tr> <tr> <td>Nov-21</td> <td>210</td> </tr> <tr> <td>Dec-21</td> <td>130</td> </tr> </tbody> </table> </div>	Month	Number of Complaints	Jul-21	180	Aug-21	140	Sep-21	170	Oct-21	120	Nov-21	210	Dec-21	130
Month	Number of Complaints															
Jul-21	180															
Aug-21	140															
Sep-21	170															
Oct-21	120															
Nov-21	210															
Dec-21	130															



**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>keeping tenants informed about progress on the resolution of their complaints.</p> <p>9. That the NSW Land and Housing Corporation provides workshops and guidelines for AMS Contract interpretation, including the requirements and responsibilities of contractors, Land and Housing Corporation and Department of Communities and Justice teams and any other stakeholders, in order to ensure consistency and fairness.</p>	<p><b>Supported in principle</b></p>	<p>This will be in addition to existing quarterly meetings between the NSW Ombudsman and LAHC and DCJ senior staff.</p> <p>LAHC is pleased to note that data from the last four quarters reflects a downward trend in referrals from the NSW Ombudsman to LAHC.</p> <p>LAHC and DCJ are implementing programs and training to enhance appropriate and consistent application of the AMS Contract and the provision of tenancy services, particularly in relation to disability modifications. These include the Set for Success program and a mandatory, interactive disability modifications training module for staff.</p> <p>LAHC will commit to a strong promotional drive for these programs in addition to what is already in place.</p> <p>Key promotional activities about the AMS during 2021 included:</p> <ul style="list-style-type: none"> <li>• Delivery of mandatory maintenance training to all DCJ Housing front line staff about the AMS Contract and their role in supporting tenants to resolve their maintenance concerns (set to continue in 2022).</li> <li>• Development of a suite of information videos available on YouTube focussing on maintenance and safety.</li> <li>• Presentation to the DCJ Team Leader Forum about the revised contractor scripts and the impacts of COVID-19 on maintenance delivery.</li> <li>• Hosting a Vital Series Webinar (an online forum) for electorate staff in local MP offices about how maintenance is delivered under the AMS Contract. Further sessions are planned for the first half of 2022.</li> </ul>

**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>10. That the NSW Land and Housing Corporation and AMS contractors, when negotiating the scope and quotes for planned maintenance, give greater emphasis to the safety and welfare of tenants.</p>	<p><b>Supported</b></p>	<p>LAHC can develop further information YouTube videos (in various languages) for stakeholders that are accessible at the convenience of the viewer to further inform and provide consistent messaging.</p> <p>LAHC also holds regular meetings with a number of stakeholders, including councils, community legal centres, the NSW Ombudsman and the NSW Tenant's Union.</p> <p>LAHC will also examine these issues in the implementation of the new maintenance contract.</p> <p>Tenant safety and welfare is of the upmost importance to LAHC.</p> <p>LAHC has initiated comprehensive, mandatory disability modification training and reviewing processes for staff. LAHC is also finalising mandatory disability awareness videos for maintenance contractors and their subcontractors. Taken together, we expect this will raise awareness of the needs of tenants who require disability modifications and lead to improved service delivery.</p> <p>In coordination with DCJ, LAHC is developing processes to install accessibility measures for tenants awaiting modifications. This is expected to facilitate safe movement around the home while disability modifications are quoted, negotiated and completed.</p> <p>DCJ has also directly engaged occupational therapists to decrease the turnaround time for reports and in turn reducing delays in modification works completion.</p> <p>LAHC acknowledges that delays in negotiations of scopes and quotations may impact tenants. Under the AMS Contract, any safety-related maintenance is conducted through responsive works and is not subject to quotation; the only exception may be disability modifications for which LAHC has escalated the timeframe for making the property safe for the tenant.</p>



**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>11. That the NSW Land and Housing Corporation provides a significant upgrade to the SAP Ariba and SPM Assets systems in order to better link both software systems, and enable a centralised system for Land and Housing Corporation staff and head contractors to scope and quote work orders.</p>	<p><b>Supported</b></p>	<p>LAHC will also examine options for quoting works specifically related to tenant welfare in preparation for the next extension of the AMS Contract and the development of the new maintenance contract.</p> <p>LAHC has developed detailed business requirements for a survey/scoping tool, which includes integration specifications to improve functionality of SAP Ariba and SPM Assets systems. These business requirements are currently ready for tender and are expected to go to market no later than June 2022.</p> <p>Pending the outcome of the tender, LAHC will have a modern, easy-to-use survey tool linked to SAP Ariba.</p> <p>LAHC notes that further enhancements to information technology are expected with the implementation of the new maintenance contract.</p>
<p>12. That the NSW Land and Housing Corporation considers how best to incorporate live property data in an app-based program, to enable greater transparency for contractors</p>	<p><b>Supported</b></p>	<p>LAHC currently updates the maintenance contractor systems daily with property-related data.</p> <p>LAHC is planning to update its information architecture to support the next maintenance contract implementation. The new information architecture will support better integration between property data and maintenance contractor systems including real time updates of changes in property related data.</p> <p>SPM Assets is already a quasi-app based system allowing inspection of a property. Collected data is translated into the property related data and used by contractors to inform and formulate quarterly Service Delivery Plans (SDPs) for Programs of Works (POWs) and Schedules of Works (SOWs), which are then submitted to LAHC for approval.</p>
<p>13. That the NSW Land and Housing Corporation, in consultation with head contractors, devises</p>	<p><b>Supported</b></p>	<p>It is noted that the recent AMS Contract extension:</p>

**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

<b>PAC RECOMMENDATION</b>	<b>POSITION</b>	<b>FINAL DRAFT RESPONSE</b>
<p>measures to better streamline processes and procedures, with a particular focus on scoping and quoting for planned maintenance, to provide for the delivery of efficient and effective maintenance services.</p>		<ul style="list-style-type: none"> <li>• Reduced scope and quote timeframes from 45 days to 72 hours, and required contractors to keep more detailed records (including photos) to justify the scope and cost of planned works, which are audited and linked to KPIs and abatements.</li> <li>• Removed the ability of contractors to self-approve extensions of time for planned works. Contractors are now required to submit an extension of time request to LAHC for approval.</li> </ul> <p>LAHC will further examine the outcomes of these contract enhancements when considering the next extension of the AMS Contract and in the development of the new maintenance contract.</p>
<p>14. That the NSW Land and Housing Corporation devise measures to provide more flexibility in the remuneration model, particularly for rural and regional service providers.</p>	<b>Supported</b>	<p>LAHC will address these issues in the new maintenance contract.</p> <p>The AMS Contract's commercial model currently allows contractors to charge the actual cost of performing the works (called reimbursable direct costs under the contract) to LAHC.</p> <p>This flexibility allows contractors and their subcontractors across the state to adjust maintenance costs charged back to LAHC based on local conditions, time to undertake work, materials or equipment required, and complexity.</p>
<p>15. That the NSW Land and Housing Corporation conducts a Property Assessment Survey prior to providing the allocated housing portfolio to Community Housing Providers.</p>	<b>Already implemented</b>	<p>LAHC conducted a Property Assessment Survey (PAS) on all properties (approx. 14,000) prior to transfer to Community Housing Providers (CHPs) under the recent Social Housing Management Transfer program (SHMT) and shared this information. LAHC also trained CHPs in the PAS methodology and continues to gather PAS data for CHP managed properties.</p> <p>From 2021/22, PAS surveys, which were previously completed on 10% of LAHC's portfolio each year will (subject to operational constraints like COVID-19) be</p>



**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>16. That the NSW Land and Housing Corporation provides Community Housing Providers with a dataset for their allocated housing portfolio, including information from the Property Assessment Survey to measure the condition of the public housing portfolio and what is required to bring the properties up to a clean, safe and habitable standard, as defined in the Residential Tenancies Act 2010 (NSW).</p>	<p><b>Already implemented</b></p>	<p>completed on a minimum 33.3% of the portfolio each year, as per LAHC's newly developed PAS Policy. This means the entire portfolio is surveyed every three years. Any future transfer program to CHPs can include the provision of the most up to date PAS information. Properties identified for transfer could potentially be incorporated into the annual PAS program. Furthermore, the Asset Management Framework agreement signed by CHPs enables PAS undertaken by CHPs to be shared with LAHC to maintain consistent historical property data.</p> <p>On 1 July 2021, LAHC launched an online SharePoint site where all property related information has been uploaded and exchanged with nine CHPs under the SHMT program. The SharePoint site can also be used to add additional CHPs that manage LAHC owned properties under long term leases.</p> <p>The information includes, but is not limited to, 5 years' maintenance data and current information from PASSES (provided at the time of transfer), CHP property lists, hazard registers, existing fire safety measures and servicing information, PAS and fire safety program training material, and an information library of procedures, process maps and the Asset Management Framework for CHPs.</p> <p>LAHC has provided and continues to offer training to CHPs on property data to promote consistency and comparability across the sector.</p>
<p>17. That the NSW Commissioner for Productivity undertakes an inquiry to determine whether the title transfer of public housing properties to the community housing sector will improve the outcome for tenants in terms of the</p>	<p><b>Not supported</b></p>	<p>The NSW Government considers an inquiry by the NSW Commissioner for Productivity is not necessary at this time. There are no plans for further transfers and the formal assessment of the previous transfer program will be available in the Future Directions for Social Housing Evaluation, which is due in 2022.</p>

**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>physical condition of the properties, the waiting time for repairs and maintenance and overall tenant satisfaction.</p>	<p><b>Noted</b></p>	<p>LAHC regularly undertakes work (within the available funding envelope) to improve existing properties to meet the needs of social housing tenants. This includes ensuring that properties: offer universal access, function efficiently, provide a safe and comfortable environment, reduce climatic extremes, and operate on a sustainable basis.</p> <p>A 2020 NSW Government maintenance stimulus program funded \$47m of works in capital maintenance and upgrading from March-June 2020. A further \$200m enabled 9,500 social homes to be maintained and upgraded. This included \$40m which was directed to LAHC-owned properties managed by CHPs in metropolitan and regional NSW.</p> <p>Any additional requests for funding will be part of the budget process and subject to cabinet confidentiality.</p> <p>The standard LAHC applies to properties in the portfolio exceeds the requirement of 'clean, safe and habitable' in the <i>Residential Tenancies Act 2010 (NSW)</i>.</p> <p>LAHC's current portfolio either currently meets, or is on track to meet, the legislative requirement.</p> <p>Furthermore, there has been no reported required (backlog) maintenance by the Audit Office of NSW since 2015.</p>



**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>19. That the NSW Land and Housing Corporation and Department of Communities and Justice further develop and implement the repair tracking app which allows tenants, contractors, and representatives from NSW Land and Housing Corporation and Department of Communities and Justice to document the progress of home modifications and maintenance requests.</p>	<b>Noted</b>	<p>A survey of properties undertaken in 2020/21 showed that around 90% of properties were either maintained or well maintained<sup>1</sup>. The remaining 10% below LAHC's maintained standard are prioritised for the forward program of works.</p> <p>Information technology enhancements are a costly exercise that are most efficiently undertaken when contracts are renewed. LAHC will examine these issues in the new maintenance contract.</p>
<p>20. That the Department of Communities and Justice implements specific policies and procedures to provide consistent communication with tenants with special needs for home modification and maintenance requests.</p>	<b>Supported</b>	<p>A joint Disability Modifications Taskforce between DCJ and LAHC was established in 2021 to improve the delivery of home modification services.</p> <p>Improvements to the modification process will be delivered in 2 phases:</p> <ul style="list-style-type: none"> <li>• Phase 1 (currently underway) includes the implementation of a tracking register and the delivery of the maintenance training package.</li> <li>• Phase 2 (scheduled to commence in late 2022) will use the data collected in phase 1 to make changes to policies and procedures to streamline the process for staff, and clients (<i>please note that commencement has been delayed due to the DCJ response to recent floods</i>).</li> </ul>

<sup>1</sup> Data sourced by OP&S branch from SPM.

**Consolidated Draft Whole of Government Response**  
 NSW Legislative Assembly Public Accounts Committee  
 Report on Follow-Up Review of the Management of the NSW Public Maintenance Contracts

PAC RECOMMENDATION	POSITION	FINAL DRAFT RESPONSE
<p>21. That the Department of Communities and Justice provides material and training to their Client Service Officers on the importance of providing consistent communication for tenants with special needs for their home modification and maintenance requests.</p>	<p style="text-align: center;"><b>Supported</b></p>	<p>Operational documentation on the Housing Hub (an online resource for DCJ staff) will be updated, including a central page for all maintenance related procedural advice.</p> <p>DCJ has ensured that AMS Contract details are covered in the maintenance training package delivered to all tenancy staff between September and November 2021. The Training package continues to be offered in 2022.</p> <p>DCJ also include instructions on managing modifications and maintenance requests in key messages to staff.</p>