

Legislative Assembly Public Accounts Committee
File Ref: D16/14664

Inquiry into the Management of NSW Public Housing Maintenance Contracts

Further questions for Family and Community Services – 26 May 2016

1) Could you provide an overview of the approval process for engaging maintenance contractors under the new Assets Maintenance Services contract?

The process for engaging contractors under the new maintenance contract followed the NSW Government Procurement Guidelines, through a public tender and procurement process.

2) Is there a mechanism in the new Asset Maintenance Services contract that allows Family and Community Services to identify systematic trends in repairs reporting – such as an alert system that signals when a problem has been reported a certain number of times or an alert when a similar problem is reported in multiple units or dwellings in the same area?

Under the new maintenance contract, FACS codes repeated repairs through the maintenance system to identify systemic issues.

The Property Assessment Survey (PAS) also provides FACS with a better understanding of the condition of existing public housing stock to capture and provide useable and visible asset information. In addition to the PAS, an annual compliance check is undertaken to assist in providing a more up to date knowledge of the asset condition of the property.

The PAS, the annual compliance check and the coding system all provide a comprehensive basis on which to identify systemic trends in repairs.

3) The Committee understands that the new Asset Maintenance Services contract will provide education and employment opportunities for tenants, specifically apprenticeships and work placements with contractors. Could you provide the Committee with more detail on this scheme?

The new maintenance contract has a strong focus on social outcomes, including tenant participation, training and local industry and community participation.

They contain initiatives that embed education, training and employment for tenants, including the requirement of the contractor to develop and implement a tenant employment participation plan. The contract also stipulates the requirement to develop strategies to provide education and training to tenants to enable them to undertake basic maintenance. These plans are developed in conjunction with LAHC

and FACS local districts around the state in order to leverage and expand upon any local initiatives.

Furthermore, the contract specifies a target for apprentices who must be employed to undertake a portion of the trade work. In addition, the contract requires compliance with the whole of government procurement initiatives such as Aboriginal employment requirements.

Local industry participation particularly, will be promoted, particularly in rural and regional areas, with FACS requiring a Local Industry Participation Plan by contractors explaining how they will engage with local subcontractors to provide them opportunities to deliver maintenance works in their local area.

The new maintenance contractors - Broadspectrum, O'Donnell and Hanlon, Joss, Spotless and Lakes Maintenance - are already delivering important social and economic benefits and regionally based contractors are employing local people to deliver maintenance.

Implementation and delivery will be monitored through the life of the contract.

4) A number of submission makers have recommended that tenants be allowed to undertake small repairs themselves. Could you comment on this?

The new maintenance contract requires contractors to develop plans to provide opportunities for building tenant capacity through engagement, education and training. This enables tenants to undertake minor maintenance works.

5) The Committee understands that under the new Asset Maintenance Services contract, tenants will have direct contact with contractors to organise maintenance on their homes.

- **What avenues will tenants have to complain if they are not satisfied with the work of the contractor?**

The new maintenance contract is designed to improve tenant experience and tenant satisfaction and an improved maintenance reporting and response system.

The new arrangements have already shown positive signs of improvement with tenant satisfaction on work completed at 90%, including better first time fixes and more responsive call centre pick up times within the 3 minute target.

Our capacity to more actively and effectively monitor and manage contractor performance is strengthened and we have invested heavily in building stronger partnerships with our contractor suppliers to ensure our expectations, and those of our tenants, are met.

In line with this, contractors undertake inspections as part of the Quality Management System. FACS also undertakes a program of inspections as part of its due diligence by: undertaking joint inspections with the contractor; conducting a

desktop review of contractor's records to verify the contractor's reported performance and carrying out independent property inspections.

In addition, FACS undertakes tenant satisfaction surveys to assess contractors' quality and timeliness of work.

The Housing Contact Centre is provided for tenants to report maintenance and repair matters 24 hours a day, seven days a week. To make calling as easy as possible, all local FACS offices have a telephone provided in the lobby with a direct link to the HCC for tenants to use if needed. Tenants may also contact FACS for repairs through an internet based e-repair service.

FACS has an independent complaints process managed by the Housing Contact Centre. Tenants can call 1300 HOUSING (1300 468 746) and be connected to the FACS Client Feedback Service. When a tenant calls the contractor and a complaint is raised, the caller will be diverted to the FACS Client Feedback Service. All complaints are monitored through to resolution.

- **How will direct contact work for those aged and/or disabled tenants who may not be able to communicate their concerns to a contractor?**

If a tenant is unable to communicate their concerns, contractors are able to utilise the Housing Contact Centre to arrange appropriate support. In addition, hearing and speech impairment can also be facilitated through the use of the National Relay Service, Speak and Listen users or Internet relay users.

If the tenant is unable to communicate due to a language barrier, contractors will contact the approved interpreter service to facilitate a conversation with the caller. The service provider is the same used by the Housing Contact Centre.

- 6) Your submission notes that under the *Future Directions* housing strategy, responsibility for tenancy management will be transferred to non-government housing providers and that within ten years the community housing sector will manage up to 35 percent of social housing. How will FACS ensure consistent maintenance standards across all sectors of social housing providers?**

Community housing providers are required to be registered under the National Regulatory System for Community Housing. To be registered, the community housing providers must meet the specific performance requirements set out in the National Regulatory Code, including requirements relating to how they manage and maintain their housing assets.

In addition to the National Regulatory System, FACS has a robust contract compliance and performance monitoring framework that addresses requirements for community housing providers to adequately maintain their properties as part of

contractual obligations. Community housing providers regularly report on a set of key indicators to ensure performance is monitored.

FACS has engaged with the NSW Federation of Housing Associations about FACS asset management framework and portfolio assessment tools and will continue to engage with them going forward.

7) The submission of the NSW Federation of Housing Associations argues for title transfer of properties to community housing organisations. Could you comment on this?

Under Future Directions for Social Housing in NSW, the NSW government has committed to the transfer management of government owned dwellings so that the community housing sector either owns or manages up to 35% of all social housing in NSW over the next 10 years.