

12 July 2021

Attention: Greg Piper MP

Committee Chair
Public Accounts Committee
NSW Legislative Assembly
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr. Piper,

Re: Response to the supplementary questions requested in relation to the Management of Public Housing Maintenance Contracts

As per your request on 1 July 2021, please find Spotless Facility Services (SFS) responses to the supplementary questions requested, in relation to the Management of Public Housing Maintenance Contracts.

Home modifications

1. How do you differentiate between work covered by general maintenance and work requiring home modification?
 - a. General maintenance is covered primarily by the contract and or by legislation and Australian Standards (e.g. AS1851 for Fire Protection), however should a maintainable asset need to be changed or replaced, e.g. Beyond Economic Repair, a quote is provided for LAHC approval. For home modifications (disability modifications) this is instructed via a Work Order from the LAHC Regional Offices, generally accompanied by an Occupational Therapist Report (OTR).
2. What is the budget for home modifications and what does it cover?
 - a. Spotless are not party to such budget information.
3. What is the process and timeframe for home modifications starting with the tenant request through to completion of the work? How does the head contractor assist in the home modification process?
 - a. Home Modifications are agreed at the time of quotation based on the individual quotes; size, complexity, OTR and need of tenant, in coordination with both LAHC and DCJ. The HC additional reviews the need and will alert LAHC of a potential following the recently enhanced ACA (Annual Condition Assessment) process.
4. What problems have you encountered with the home modification process and what are some of the constraints you face in addressing tenants' needs?
 - a. Tenant access remains an ongoing challenge, along with the tenants perceived expectations on what work desired compared to what is recommended by the OTR and approved by LAHC/DCJ. Further, often the HC is challenged to deliver in an accelerated timely fashion due to the matter be escalated to a NCAT or Ministerial Request.

5. Is the home modification work assessed as part of the head contractor's KPIs? If so, is the performance of home modification work included in the pain/ gain share model?
 - a. The home modification work is not specifically assessed as part of the head contractor's KPIs, however delivery against an agreed date of completion and quality is measured, as well as the result LAHC post work quality inspections for all planned works. Home modification work is not included in the pain/ gain share model.

Review of previous maintenance work provided

6. What is Spotless' experience with the Compliance, Audit and Verification teams? How often do they perform checks on your work? Do you encounter any specific issues with the Teams?
 - a. LAHC compliance interacts with the HC on a number of concurrent levels. Regional LAHC compliance auditors inspect work-in-progress and post work completion projects on a daily basis across all contracted areas, also the LAHC Housing Contact Centre (HCC) contacts tenants directly post work completion to survey the HC's provision of services, and on a quarterly based a separate audit body from LAHC conducts a detailed operational audit which includes 2-3 days at the HC's offices (pre COVID – now completed virtually) with a targeted audit and follow up from previous audits. The HC is cognisant of the need to maintain a rigorous audit program with all the HC's, but an audit program should not require such resources and time from the HC that the actual delivery of contracted services is affected.

Contract Conditions

7. What is the definition of a safe and liveable standard for tenant housing or habitable property? Is this specified in the contract?
 - a. Safe and liveable standard for tenant housing or habitable property are referenced within the Contract; Part G3, Asset Performance Standards, Introduction.
8. What is the difference between safe and habitable housing and fit for purpose housing?
 - a. Spotless relies on the Contract to guide our focus on delivery (referred to above), however LAHC and DCJ bare responsibility for the eventual determination on what is safe and habitable housing and fit for purpose housing.
9. What measures or requirements are in place to ensure that subcontractors maintain a property to a safe and liveable standard? Once works have been completed, how often is the quality of work reviewed and are inspections documented?
 - a. The AMS contract is a work order and responsive maintenance contract. Maintenance of a property is therefore measured through the completion of either, in the majority, work order instructions from LAHC or responsive work orders as received from the tenants directly. There are two smaller ongoing service components; BES (building essential services), covering both passive and active Fire Life safety systems, and LGC (Lawns Grounds Cleaning) where cleaning is only for nominated common areas, as directed by LAHC. Services standards for BES and LGC are detailed in; Part G2.2 Servicing Specification. These services are regularly audited, and quality monitored by LAHC (as per previous answer on audits).

SFS takes this opportunity to thank the Public Accounts Committee for the opportunity to provide feedback in relation to the Management of NSW Public Housing Maintenance Contracts.

Should you require any further information, please don't hesitate to contact me.

Yours Sincerely



David Morris
General Manager
Spotless Government & Citizen Services