

**Submission  
No 15**

## **INQUIRY INTO THE MANAGEMENT OF NSW PUBLIC HOUSING MAINTENANCE CONTRACTS**

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Public Accounts Committee  
Parliament House  
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### **Inquiry into the Management of NSW Public Housing Maintenance Contracts**

I write to make a submission into the Inquiry into the Management of NSW Public Housing Maintenance Contracts. As a State representative, I regularly hear from Housing NSW tenants about problems with repairs and maintenance.

Stable, low-cost housing is vital to people with very low incomes, especially those with mental illness, and drug and alcohol problems, those suffering from trauma and abuse, and ex-prisoners re-integrating into the community. It is essential that vulnerable people and those most in need have well maintained homes, with repairs carried out in a timely manner to ensure safety, security and prevent deterioration of health. It is also important for tenants' sense of worth and valuing of these properties that they can see that the landlord cares about their homes.

Contractors and maintenance programs must go beyond repairs identified by tenants to provide long term maintenance to ensure the future viability of these community assets. Successive governments' failure to invest in social housing has left a backlog of maintenance and repair work. I appreciate the work done in recent years to reduce this backlog, prioritise more important work and improve communication.

The inner city has some of the oldest social housing properties and many tenants believe that the lack of maintenance is part of a long term policy of 'demolition by neglect' that will result in the sale of inner city social housing in the future, particularly given the current program to relocate tenants and sell about 300 properties in Millers Point, Dawes Point and The Rocks. The Auditor General's report 'Making the best use of public housing' revealed that the annual cost of keeping social housing has nearly doubled in the last ten years, from \$15,000 to almost \$27,000 per dwelling. To meet these increasing costs, maintenance, upgrades and capital building programs are delayed or reduced.

Some tenants tell me that they are fearful of reporting maintenance issues in fear that it could lead to the sale of their home and eviction. I recommend that Housing NSW advise all tenants that they should report the need for repairs early so that problems be dealt with before damage is more extensive and more costly to repair.



Representations to Housing NSW and the Land and Housing Corporation on behalf of constituents about repairs and maintenance take considerable electorate resources. Demand on Housing NSW officers, electorate officers, MPs, health and welfare services, Land and Housing Corporation officers, as well as government expenditure could be reduced if maintenance contracts were more localised and required more government oversight of contractors performance to ensure value for money and work done right the first time. Tenants are a valuable resource to help monitor contractor performance and should be engaged directly to do so.

I commend Land and Housing Corporation officers' work to address maintenance needs and improve management and value the recent changes that allow my staff to deal directly with decision makers at regional level. However constituents continue to report concerns about contractor performance, including poor repair jobs, short term fixes, multiple call-outs for shoddy work, contractors' rude behaviour and poor communication, and failure to make appointments before attending tenanted properties. I hope that future contracts will provide better oversight, more responsive local contractors and improved communication with tenants.

I strongly support moves to use maintenance and repair contracts as vehicles to provide training and paid work opportunities for tenants. Similarly, landscaping and cleaning contracts could be used as opportunities to help low income tenants get work experience and higher incomes, and better their lives over the long term.

Tenants report poor communication with multi-unit building tenants where work is being done in common areas or work that will affect a number of residents. While I am not aware of claims about systematic corruption or misuse of resources, some tenants tell me that some contractors make false claims of job completion or attendances at tenants' homes to carry out work orders.

#### **Value for money**

Tenants report wasted funds on repairs and maintenance where delays and quick fixes have resulted in damage to personal property requiring tenant compensation; damage to government assets requiring additional repairs and expenditure; and contractors taking advantage of the system through quick fixes that require payment for multiple call outs attending the same problem. This seems particularly the case for roof leaks and water ingress incidents.

In my electorate there are many instances where effective preventative maintenance programs would prevent damage to homes and costly repairs. Regular tree maintenance, gutter and roof clearing and maintenance would prevent the costly damage done by water ingress, leaks and prevent health impacts from tenants living with damp, mould and mildew. While these systems have improved in recent years, I hope that further work can be done to provide term solutions rather than quick and cheap measures that don't address underlying problems.

#### **Environmental sustainability**

Contractors must be required to incorporate environmental sustainability principles in line with FaCS Environmental Sustainability policies, including encouraging the use of materials and products with recycled content.

Replacing ageing infrastructure, equipment and appliances provide an opportunity to reduce water and energy use and reduce costs for the government and tenants. The government should ensure that all replacements meet the highest standards in sustainability, and incorporate these requirements in contracts.

Major redevelopment projects must also use the infrequent opportunity to construct and install low energy and water facilities and equipment, aiming to reduce future operating costs for the government and tenants.

#### **Response times**

Tenants repeatedly report long waits when they report to the Housing Contact Centre and failure to follow-up with tenants on whether contractors have fulfilled their obligations to make appointments, attend work orders, and undertake and complete repairs.

Tenants report that there is no longer any system in place to confirm contractor action with tenants. Tenants are a valuable resource for the government to ensure contractors meet their obligations for responsive repairs and tenant feedback needs to be incorporated into contracts management in ways that do not pressure tenants to provide positive feedback for fear of retribution.

### **Repair and maintenance backlog**

Maintenance in a large portion of inner-city housing continues to be a problem with large backlogs. The Sydney electorate has some of the oldest properties and heritage and design challenges, which pose maintenance challenges. Long term backlogs for major work must be addressed to prevent further deterioration of properties.

I have seen firsthand the negative impact poorly maintained properties have on tenants' health. This includes respiratory illness caused by mould and high levels of anxiety caused by poor security in multiunit buildings and not providing security doors and window coverings for individual homes.

### **Appointments**

I repeatedly hear from tenants that contractors do not book in times to carry out repairs and maintenance work. They tell me that contractors often attend without an appointment and advise the department that they were refused entry. This is wasteful and frustrating for tenants who may continue to wait for contractors to attend and work to be done. I understand contractors may be paid for callouts regardless of whether an appointment was made or work done. It can also cause significant delays to actioning repairs as tenants are not advised of the contractors reports to FaCS.

### **Incomplete and short term repairs**


Inner-city social housing is essential and the Government should look at ways to expand and maintain inner-city stock for the long term.

The Auditor General identified unsustainable social housing maintenance and repairs being postponed, only emergency or superficial work done or some properties being sold in order to maintain other properties. The 2013 report identified a minimum \$330 million underfunding.

Constituents who have contacted me are particularly concerned about the lack of follow-up or response when they report substandard work by Housing NSW contractors. While tenants report contractors who have integrity, do good work and communicate well with them, I have heard of incidents where the department approves quick fixes rather than contractors' recommendations for thorough and lasting repairs. I am concerned that short term budget restraints placed on the Land and Housing Corporation favour quick fixes that end up being more costly to the community and tenants in the long term.

**Any review of maintenance contracts needs to address the impacts of budget constraints, the need for greater oversight including tenant engagement, greater use of preventative maintenance and environmental sustainability.**

Yours sincerely,



Alex Greenwich  
**Member for Sydney**