

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

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Inquiry into the Management of NSW Public Housing Maintenance Contracts
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a) The Current repair status and physical condition of the public housing stock managed by Housing NSW

The current repair status and physical condition of public housing stock is in clear need of a reform of management. There is a dire need for a more efficient system, and work that is of a higher quality.

While the online system presents as a simple and accessible model, the realities of maintenance work are far more complex and far less attainable than they are otherwise presented. For example, the 24 hour contact number is, in theory, a highly useful tool. Unfortunately, there have been too many reports of the phone going unanswered or people waiting exceptionally long periods of time, often to report an emergency (see RedWatch site [here](#)). This is clearly an unworkable model, and is creating a backlog of maintenance works that will only cost the government more money in the long term.

During my term in office I have met with numerous public housing tenants and documented maintenance issues with their properties that Housing NSW has failed to address. A number of the properties I have visited housed elderly and disabled people who faced ongoing situations such as water leaking through light fittings and covering the floor, forcing the tenant to live in a room with no lighting and covered in sodden newspaper, or termite infested wooden outdoor steps and fencing.

The single most frequent problem I encountered was poorly maintained roofing or guttering that caused ongoing mould and dampness in properties. In some cases tenants had abandoned whole rooms because their belongings became covered in mould. I would like to stress that in all of these cases, the issues were reported to Housing NSW.

It is worth noting that one of the arguments for selling the Millers Point public housing was the costs of maintenance (<http://millerspointcommunity.com.au/exploding-myths/>). This is despite the Tenants' Union of NSW estimations that two-thirds of maintenance costs should have been covered by the rent from the tenants. It is unethical, unreasonable and poorly executed, to operate a system of housing that is better off being sold due to poor maintenance or in some instances, maintenance calls that are not even responded to. This creates long-term cost issues both for public housing tenants and for the government, and makes public housing an unfeasible expense. Maintenance must not only be given priority funding, but must be independently assessed to ensure that contractors are doing the required work.

Not only is it financially unviable to leave a backlog of maintenance work, it can be a serious health and safety hazard, seen through such issues as mould and termite-ridden buildings. These are of serious concern, and have been brought to my attention over the years in suburbs including Millers Point, Waterloo, Redfern and Erskineville. This is completely unsatisfactory, and government must adopt a more efficient system to deal with these serious matters. Left in its current state, government risks litigious responses from tenants who would be within their rights to pursue such a course of action.

An efficient, high-quality maintenance system is key to any housing model. The government must properly fund this system to ensure it can operate effectively and to ensure the long-term financial security and sustainability of public housing.

b) The costs of maintenance of the current public housing stock, variations in expenditure trends over the previous five years and projected expenditure for the next five years

An emphasis on keeping repair work inexpensive for both the contractor and Housing NSW has led to a situation where, rather than fixing problems with properties, contractors are figuratively, and at times literally, painting over the problem. As mentioned elsewhere in this submission, I have encountered a large number of properties where tenants are suffering mould and damp problems. I regularly heard stories of contractors applying a layer of waterproofing spray, only to have the problem continue. With more thorough investigation of complaints and a greater up-front investment, Housing NSW can avoid more costly situations in the future.

c) The nature and administration of maintenance contracts, including private sector arrangements

The recent renewal of Spotless Group for a \$62 million a year contract, despite complaints and concerning media reports (<http://www.smh.com.au/business/workplace-relations/laundry-workers-filthy-at-spotless-cleaning-20160115-gm6jjh.html>) is an example of poor investment with the private sector. Managing more than 24,000 properties for NSW over the next 5 years, this is a mammoth contract that has been poorly analysed by Government. What is particularly concerning is that this contract has been held since 2002. Not only are there questions surrounding Spotless' work within the public housing sector, the above article fleshes out other concerns surrounding the company workers' toxic, illegal and discriminatory working conditions. Fair Work Australia has been involved with this company, which alone seems reason to seek a different contractor. Yet still, government does only a perfunctory analysis, and their contract is upheld.

Government must make independent reports on the effectiveness, quality and ethical standards of their contract agreements. Public housing tenant consultation is vital to this assessment, and their testimonials must be included in reports when renewing contracts. This does not appear to have been done. Government instead appears satisfied with honouring a long-standing relationship with a sub-standard contractor.

ICAC need also be involved when contractors are reported as doing inadequate work, or indeed of not doing the required work. Assessing a property is not enough, and the government needs to ensure that contractors are doing required work, beyond the initial assessment stage.

d) Methodologies and processes for ensuring consistent public housing maintenance standards across NSW, including quality assurance, effectiveness, efficiency and contract supervision

There needs to be an increase in independent reviews of maintenance work in public housing, with reports from qualitative research (public housing tenant complaints) indicating the primary areas for improvement. This evidence can be compiled after work has been completed by contractors, with a report card being filled out by tenants to indicate the level of quality of the service.

An effective, easy process for tenants to navigate is essential. Currently, there are long delays involved in many repair processes (<http://consumersfederation.org.au/get-it-fixed-prompting-nsw-public-housing-to-repair-the-system/>). This is in part due to complicated bureaucracy processes that involve different channels at various stages of the repairs problem. For example, if a repair issue

returns or it is an incomplete repair, the tenant must contact the Customer Service Officer to report the issue, instead of the Repairs and Maintenance hotline. This is a critically inefficient system that requires repairs itself.

Independent and good quality contractors are key to the consistent maintenance required of public housing. "Get it fixed" (<http://getitfixednsw.com/>) has shared many reports of below par and unhygienic living conditions that public housing tenants face. Tenants' stories include severe issues of mould, dust and dangerous living conditions. This indicates that the current method for processing urgent repairs is failing public housing tenants and must be addressed as a priority action.

Further, there must be better contract supervision, particularly in light of the dubious reports of Spotless contractors. Customer Service Officers must be involved in this process and need to chase up tenants' reports, particularly those of a more serious nature.

'Get it fixed' also emphasises the inefficiency of the system, seen through the number of recall repair work. This signifies work of a low quality, and a costly system. Further, there is mention of lack of action against contractors who deliver poor quality work. There must be reports to analyse the number of recalls needed as well as the length of time repair work takes. Only through the proper analysis can government ensure efficiency and effectiveness of maintenance work.

e) Statutory obligations on tenants to take care of properties and report maintenance needs in a timely fashion

As a public housing tenant who has visited many properties throughout the City of Sydney, I would say that a majority of tenants look after their properties and take pride in their homes, reporting maintenance issues in a timely manner. Most of the premises I have seen have been well kept despite their maintenance issues.

There are known delays for maintenance work. This occurs at every level of the process of requesting maintenance, from the initial phone call to the end process. Repairs are known to be left unfinished and left for days, as well as attracting a high number of recalls due to low quality work. For maintenance work to be achieved in a timely fashion, this requires efficiency at every level of the process, and requires high quality contractors to complete the work in a timely, professional and efficient time frame. This is not currently the case, and more attention should be given to the quality of the contractors' work.

There must be more funding allocated to repairs, to cover the backlog of maintenance work. These are issues that will not go away and in time, only become more costly for the government. We must therefore prioritise an effective system now to ensure that long-term maintenance costs are kept at a minimum.

The inefficiencies in the current maintenance and repairs system lie with response time of Housing NSW and the quality of the work performed, not with the initial reporting from tenants.

f) Measures to meet the special maintenance requirements of aged and disabled tenants

Whilst it is reasonable to expect public housing tenants to clean their own dwelling, there are certain situations which require additional assistance. With the case of aged and disabled tenants, there should be cleaning assistance on offer to ensure that hygiene matters are not of concern. This should be offered free of charge, for those who are eligible due to any sort of mental or physical limitations. This will also assist in the long term maintenance of the property and in the long term, keep maintenance costs lower.

The issues I raised in part (a) of this submission regarding maintenance issues I have witnessed demonstrate that Housing NSW is not currently able to adequately priorities maintenance issues that pose a serious health and safety risk to the tenant.

g) Any other related matters

The government must increase funds to public housing in order to deal with the backlog of maintenance and repairs that are needed NSW-wide. Government must also take more care with the contractors they hire, and ensure that proper independent analysis is referred to and proper qualitative data is used. There needs to be an audit of all private contractors conducted to ensure that government money is not wasted on poor quality repairers.

Government must remove the barriers that tenants face to accessing repair work that is currently in place, due to a complex system of governance.

The below photo, taken in early 2014, is an example of repair issues under Spotless' contract, demonstrating a gutter in Copeland St, Erskineville, that was not attended to for many months. In this particular instance, the lack of basic maintenance meant that a safety issue ensued, as the rusted gutter caused damp and mould throughout the building. This is unacceptable and inexcusable, and should not have to be tolerated by any person who requires public housing.

