

**Submission  
No 6**

## **FOLLOW-UP REVIEW OF THE MANAGEMENT OF NSW PUBLIC HOUSING MAINTENANCE CONTRACTS**

**Organisation:** Greens NSW

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# Submission

## Follow-up Review of the Management of NSW Public Housing Maintenance Contracts

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Prepared by

Office of Jenny Leong MP, Member for Newtown and Greens NSW Housing, Rental and Homelessness Spokesperson

Office of Jamie Parker MP, Member for Balmain and Greens NSW Planning Spokesperson



## **Acknowledgement**

We acknowledge that we live and work on the land of the Gadigal People of the Eora Nation and pay our respects to elders past, present and emerging. We commit to working towards justice and sovereignty for First Nations people.

## **Introduction**

We welcome the opportunity to make this submission on behalf of the Greens NSW. As local Members for the state seats of Balmain and Newtown, our electorates include some of the highest density of public and community housing in NSW. This allows us to comment on the maintenance service within public housing in these electorates based on our office's significant interaction with public housing tenants over many years. Additionally, Jenny Leong MP holds the Housing, Rental and Homelessness portfolio for the Greens NSW.

In 2016, the NSW Greens lodged a submission to the Inquiry into the Management of NSW Public Housing Maintenance Contracts and made seven recommendations on how to improve the operation of maintenance and the public housing contracts. We note that those recommendations are as relevant in 2020 as they were then, which indicates that the issues with the management of NSW public housing maintenance contracts continues to be very problematic.

Maintenance issues raised by public housing tenants form the majority of requests for assistance that our offices receive - in the order of 30 requests from tenants per month. This amounts to approx. 60% of all requests for assistance received from public housing tenants.

The standard of maintenance of public housing properties in general is considered to be unacceptable with poor overall building maintenance and inadequate communication as well as long timeframes for individual maintenance repairs. Overall, the quality of work in relation to maintenance and cleaning has been regularly reported to our offices as being 'substandard' and 'patchwork'.

The timeframes and communication regarding repairs and maintenance has not improved in our experience even though the process for logging and tracking requests may have, in some instances.

Overall, there is a lack of transparency, accountability and responsibility when it comes to the delivery of maintenance, due in no small part to the outsourcing, contracting and privatisation of the system that places profit motives rather than quality provision of services at the centre of what drives this system.

There are real costs to this model both in terms of the inefficient delivery of maintenance, the double/triple handling of works, as well as the additional stress and health impacts on tenants and staff working in Housing. The culmination of these issues places Land and Housing Corporation (LAHC) in contention as the worst landlord in the state.

### **Response to the Terms of Reference**

#### **1) Whether changes to public housing maintenance introduced in 2015/16 have delivered measurable improvements and evidence based outcomes for public housing tenants;**

The previous [Inquiry into the Management of NSW Public Housing Maintenance Contracts](#) of 2016-2017 made 10 Recommendations in the [Report](#) of October 2016. These Recommendations were in relation to actions which were to be taken by Family and Community Services (FACS) as the responsible agency. FACS supported all the Recommendations and made some initial responses and in relation to 8 of the Recommendations, indicated that they would be reported on in the October 2017 Progress Report.

- a) Comments on Recommendation 1: that the Department of Family and Community Services provide a progress report to the Committee 12 months after the Committee's report is tabled, detailing progress on the new maintenance contracts. The progress report should contain specific measures of performance against agreed targets, as well as client satisfaction ratings for the work undertaken.

We note that FACS made the following statement in their 2017 Progress Report:

*Most maintenance is performed through a rolling program of works. More urgent repairs or work requests are assessed to determine if there is any danger to health, safety or security, in which case the contractor will attend immediately, on the same day or on the next day (depending on the nature of the emergency) and make the situation safe. Other repairs that cannot wait for the planned works program are generally commenced within 20 days, subject to access and the type of work required.*

The claims made in the FACS statement above do not correlate with the experience of a significant number of public housing tenants. Our offices are regularly contacted in situations where a tenant's health, safety or security is compromised by an urgent

maintenance and repair issue which has not been addressed in a timely matter. For example our offices have been made aware of numerous instances where significant repair works have not been completed within a 48 hour timeframe including urgent roof repairs to make a roof safe or fixing a toilet which was broken.

In one example a tenant called the Balmain office on a Friday to complain that a plumbing issue was not being responded to with the required level of urgency, and by Monday her living room ceiling had collapsed causing damage to her possessions and narrowly avoiding personal injury to a family member.

In another example, a tenant contacted the Newtown office regarding her unit block of 9 units where for over four months the electricity had been going off whenever someone used a washing machine or dryer in the laundry. The electricity would be off for the entire duration of using the machine and the issue had been reported for months by several tenants with no action taken until we wrote to the MP Maintenance team.

- b) Comments on Recommendation 2: that the Department of Family and Community Services implement new procedures to better inform tenants about how their Client Service Officer can assist them in seeking repairs to their home.

We note that FACS provided the following response:

*Support tools have been provided to Client Service Officers to better support tenants to sustain their tenancies which includes working with tenants to identify maintenance concerns. In addition, the FACS website advises tenants about how they can access maintenance services and provide feedback.*

Many tenants remain confused about the process of reporting maintenance works, while many more are unable to reach the maintenance hotline or are expected to wait for lengthy periods of time to reach an operator that they terminate the call. At this point, some tenants will contact their CSO, however, the CSO's do not always report the works and usually recommends that the tenant contacts maintenance to follow up. This issue was raised in our 2016 submission and the problem remains and is consistently reported to our offices. Beyond the complete lack of disrespect this shows for the tenant's time and their maintenance needs, there is also nothing efficient or effective about this process.

In our experience, some CSO's are advising tenants to contact MP's offices to get action on maintenance issues which have not been progressed for extended periods despite the client using all the available options to report the issue. This is clearly a problematic 'workaround' and indicative how dysfunctional the current process can be.

Given the system appears to be failing regularly to deliver timely repairs and maintenance, some residents are now approaching our MP offices as a first option based on their previous experience of delays and ongoing miscommunications.

It is also apparent from a number of calls received in our offices that tenants are not routinely advised that their CSO and local tenancy management teams are not the first port of call for maintenance requests. This causes unnecessary frustration and delay in matters that should be easily resolved with a referral to the maintenance hotline.

- c) Comments on Recommendation 3: that the Department of Family and Community Services reviews the protocols introduced with the new maintenance contract, designed to ensure effective communication between Housing NSW staff and LAHC staff twelve months after implementation, to ensure that the protocols are working effectively.

Responding to this recommendation, FACS provided the following response:

*FACS Housing Services and the Land and Housing Corporation (LAHC) have an improved protocol for communication and coordination of maintenance requests. In addition, the current maintenance contract enables tenants to deal directly with maintenance contractors to have work undertaken.*

Our experience with a large number of public housing tenants regarding maintenance issues indicates that tenants do not have the ability to deal directly with maintenance contractors when seeking to have work undertaken. They frequently report that they are not given any prior notice as to when a contractor may arrive and often they find a card under their door from a contractor, who has come without prior arrangement, and have to wait until another visit is rescheduled, again often done without their involvement. It is very common for tenants to not be given any indication when the contractor may arrive for the second time. This is unacceptable from both the perspective of the tenant and the management of the maintenance contracts. Further to this, tenants often report that when they have had an initial visit from a contractor, they are not given any contact details to follow up directly with the contractor.

This is extremely frustrating for tenants as they have no opportunity to liaise with contractors prior to the first time someone comes to their home which leads to unnecessary delays and inconvenience to all parties. This issue was again referenced in our 2016 submission.

Additionally, our offices have been contacted by public housing tenants about the issue of inadequate identification of works required. Tenants have found that when a contractor arrives (sometimes after many weeks or months) to fix the problem they are

informed that the job requires a different tradesperson or equipment, and so the process has to start again. These problems could be alleviated if tenants were empowered to liaise directly with those providing the maintenance service, describe the issue directly so that the right tradesperson is allocated the job, and prepared with the necessary equipment to do the work, at the beginning of this process, rather than everything having to be mediated by person/s managing the 1800 Maintenance line who may or may not be able to diagnose the problem correctly.

Another issue related to communication between tenants, contractors and LAHC is the reporting back of maintenance issues. Our offices have been made aware of instances when contractors advise tenants about the work which should be done, but do not report back up the line to LAHC so the tenant has to navigate this stage and further works themselves. In other circumstances, we have been made aware of instances when contractors advise LAHC of works required and these works are rejected by LAHC, but the tenants are not advised of this and are left assuming that the works recommended by the contractor will be done.

The issue of stove replacements is one that has arisen recently in the Newtown office. In one example a contractor indicated to the tenant that a stove needed to be replaced, however, this was rejected by LAHC, resulting in the contractor then being required to attempt to fix the faulty stove rather than replace it (even though their expert opinion is that the stove needs to be replaced). There are several other instances of stoves which require replacements where tenants have waited months and have had several contractors attend and repeatedly try to fix the stove with many admitting that it needs replacement, but LAHC won't approve the cost.

A further example from the Newtown office is a tenant who needed work completed on the balcony of their two story terrace house. In July, scaffolding was erected across both stories of their property and across several of their neighbours properties. When the scaffolding was erected, contractors completed one day of work at the property and did not return. In October, some three months later, the tenant contacted our office as they had not been able to receive information as to when the work would be completed or when the scaffolding would be removed. In order to get this resolved, our office wrote to the Minister's office to request that the work is completed or scaffolding is removed. We were advised that the contractors needed to consult further regarding heritage requirements and that the work should resume in March 2021, we were informed that the scaffolding would not be removed in the meantime. This would have meant 9 months of scaffolding covering two stories of the property, blocking light, endangering the tenant who was elderly and her grandchildren who visited regularly, and leaving the tenant vulnerable to break-ins as the scaffolding is easy to climb. Thankfully in this case, we were able to ensure this didn't occur, and the scaffolding was removed in December and will be re-erected when the work recommences. The amount of time,

stress and handling, not to mention cost, expended on this one situation is not only unacceptable but also shows how things are *not* working.

- d) Comments on Recommendation 4: that the Department of Community and Family Services reviews the complaints handling process after 12 months of operation and reports its findings to the Committee as part of the progress report called for in Recommendation 1.

We note that FACS responded with the following:

*Tenants have various ways of advising of a complaint, including the FACS Client Feedback Unit. FACS has also introduced a tenant experience dashboard on its website which gives tenants the ability to rate the service they receive from contractors and view the performance of contractors in their area.*

Both the Balmain and Newtown offices have not received information from tenants about using the 'Feedback Unit' or the tenant experience dashboard. In our significant amount of work in the area of public housing maintenance support, our offices have not heard tenants mention or refer to having been asked to provide feedback on services provided to them.

The Tenant Experience Dashboard demonstrates average scores for contractor performance and the tenant experience. The scores for Broadspectrum which is the contractor across the Balmain and Newtown electorates score 4 or 5 out of 5 on all measures. This score does not reflect our experience and the information we receive from tenants. We feel certain that this score would also be disputed by many of the tenants who have experience getting maintenance on their homes.

There is no transparency or publicly available information about how many people are surveyed or provide feedback through the Tenant Experience Dashboard or Feedback Unit. It would be helpful for the methodology and data to be publicly available so there is some transparency about how these scores and this reporting comes about.

## **2) The current repair status and physical condition of the public housing stock**

The current state of repair and the physical condition of public housing stock reflects the complete failure of successive NSW Governments to invest in and prioritise the dignity, well-being and caretaking of our public housing stock and those living in public housing. We make the following comments regarding what we see as the most prevalent and ongoing maintenance issues we encounter regarding the public housing stock in the Redfern, Waterloo, Newtown, Surry Hills and Glebe areas.



The 2014 Final Report of the Legislative Council Select Committee on Social, Public and Affordable Housing noted that:

*5.83 Some of the concerns raised with the committee highlighted the impact maintenance problems are having on tenants' health, safety and wellbeing, for example:*

- *respiratory problems, caused by mould, mildew and damp*
- *being constantly cold because of gaps in flooring*
- *safety concerns because of a lack of security screens on doors and windows, particularly for vulnerable tenants, such as older people or families with young children*
- *'social exclusion and isolation' because communal areas are not maintained and cannot be used*
- *mental health impacts and severe distress despite trying to 'put up with' the problems.*

In our experience, the concerns raised in 2014 continue to be significant issues and the majority of contact with tenants include references to mould, safety concerns, concerns regarding the cleaning and maintenance of common areas and the mental health impacts of ongoing delays on maintenance.

### Leaks

We have worked with a significant number of tenants on issues related to leaks in properties. Window seals and roof leaks are most common. These leaks when not repaired in a timely manner, regularly lead to other significant repair issues such as carpet, mould and damp damage to floors, walls and cupboards. Often leaks also result in damage to the tenants personal property and effects. Our experience is that reports of leaks regularly returning is common. This is particularly evident in window and roof leaks which only become problematic during periods of heavy rainfall.

The other most common factor causing leaks is faulty hot water systems. The delays in replacing faulty hot water systems mean that the damage caused by leaks is compounded over time.

It is evident that the practise of returning properties to "safe, habitable condition" rather than fixing the structural causes of a problem like window and roof leaks or faulty hot water systems are to the detriment of tenants as well as to the long-term viability of their homes.

### Mould

Significant numbers of requests for assistance that we receive concern mould and the

difficulties tenants have getting mould treated and the source of the mould properly repaired. We estimate that 30-40% of all requests we receive include mould issues and the health impacts of sustained exposure to mould. The health impacts of mould in cupboards and on ceilings and walls is compounded for many public housing tenants because many have existing chronic lung conditions or health issues which are exacerbated by exposure to mould.

The lack of adequate ventilation is linked to some mould issues particularly in bathrooms when extractor fans are faulty or sub-standard and so do not ventilate the room properly. Also, issues with faulty windows with hinges which do not function properly, lead to mould issues as tenants are unable to ventilate their units adequately.

We have experience of mould 'repairs' which have entailed the contractor simply painting over the mould on a wall without identifying or being given approval to fix the source of the mould. Obviously this type of repair - 'patching over' the problem is inadequate and unacceptable for tenants and a waste of resources.

#### Carpet replacement

When carpets have been water damaged, the standard procedure is to apply a 'water extraction' process which entails trying to use a suction device to remove the water. In our experience, this process is inadequate and unsatisfactory and leads to damp issues and unhealthy outcomes for tenants.

Carpets are rarely replaced even with significant water damage. We have heard of tenants having to resort to removing damp and smelly carpet themselves rather than having to live with it. This situation is completely unacceptable.

#### Window maintenance

We find that window maintenance is generally a significant problem. We receive numerous complaints that windows do not function properly - they either won't open or won't stay open or won't shut properly. We are informed that these jobs are rarely fixed and can remain unfixed for years despite tenants reporting them frequently. The flow-on effects from this lead to issues raised earlier, including mould, water damage and lack of ventilation.

The Newtown office has heard several reports from tenants who have windows that do not stay open therefore making it difficult for them to keep cool during the hot summer months. Tenants have been advised that a cherry picker will be required to complete the works so they have been rejected and the tenant has given up pursuing the issue.

#### Cleaning

The key complaint we receive regarding cleaning is that the contract cleaning staff are not completing tasks specified in the cleaning contract such as cleaning walls or maintaining common areas to an appropriate standard. For example, when walls in common areas require cleaning, this is not done as a matter of course and has to be raised in order for the work to be done. This became particularly relevant during the height of the Covid-19 pandemic when additional cleaning staff were employed to increase cleaning efforts and other cleaning staff were employed to sanitise common areas. Our offices regularly receive complaints of certain cleaning tasks being completed in common areas while walls or the doors of lifts were not cleaned or there was rubbish left in common areas.

Additionally, the Cleaning records have been removed in some buildings and so tenants don't know when the work was completed.

Greater transparency is required around cleaning contracts and what tenants should expect from the cleaners including how often they will attend and which tasks they will complete. This will allow tenants to report when issues arise and know what to expect.

Having greater flexibility for cleaners and contractors would be useful to enable proactive work to ensure the upkeep of stock rather than relying on tenants to navigate the lengthy reporting process.

### Safety Concerns

A number of tenants raise safety concerns in relation to residing in ground floor units or the maintenance response following a break in. One tenant in a ground floor unit was denied safety screens following a brick being thrown through his window and was advised that he should purchase the screens himself. The tenant was fearful for his safety and was unable to afford the screens. Another tenant said that his front screen door was bent and the lock broken during a forced entry and when the door was repaired he was still unable to close his door or lock it securely.

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

It is clear that there is a need for more transparency in relation to the private providers that the NSW Government engages to manage - including details of contracts, financial arrangements, requirements for performance standards and tenant respect and satisfaction.

As it currently stands, it seems that the way this system is set up it does not prioritise either the maintenance of public housing or the needs of tenants. Further to this there are many inefficiencies and concerning practices.

Ending the privatisation of public maintenance contracts and returning to a well-resourced, properly funded, adequately skilled and permanently employed public works body or equivalent would go a long way to resolving many of the issues that have arisen as a result of the current system.

#### ***4. Any other related matters.***

There are two questions that are integral to the performance of repairs and maintenance contracts for public housing in NSW and these are whether the existing maintenance backlog is being properly measured and monitored, and whether the Land and Housing Corporation's contractors are being correctly tasked to meet the needs and obligations of the organisation as the largest housing provider in the southern hemisphere.

##### *Repairs and maintenance backlog*

The 2013 Auditor-General's report [Making the Best Use of Social Housing](#) put the estimated repairs and maintenance backlog at \$302million. A similar figure of \$300million was given in response to Parliamentary [Questions on Notice in 2012](#), with reference to the years 2008 and 2009.

More recently the question of a repairs and maintenance backlog does not appear to have been addressed. The 2016 report from the Public Accounts Committee's previous inquiry into repairs and maintenance provides no estimate but refers to evidence from the Corporation's then Deputy Secretary that the backlog 2016 was significantly lower than it had been in 2005.<sup>1</sup> Current Annual Reports provide no clear information on this metric and the recent [budget highlights](#) are silent on the matter.

The success or failure of contracts for the repairs and maintenance of public housing will hinge on whether adequate funds and other resources are being allocated for their delivery. Providing clear data on the repairs and maintenance backlog, using a consistent methodology, is a missing component of the government's approach to managing the public housing portfolio.

It is crucial that the repairs and maintenance backlog should be routinely reported on and monitored to provide clear and measurable information to stakeholders about how

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<sup>1</sup> See

<https://www.parliament.nsw.gov.au/ladocs/inquiries/2194/Management%20of%20NSW%20Public%20Housing%20Maintenance%20Contracts.PDF>, 3.31 at page 34

well the government is managing the portfolio as a whole. In addition to this, a consistent methodology for calculating the backlog is required.

### *Obligation to repair*

There are clear obligations for the Land and Housing Corporation to repair and maintain tenanted properties under the *Residential Tenancies Act 2010*. These obligations are not strictly reflected in the corporation's policies and practise and as we have outlined through some of the examples referred to above this can lead to difficulties and disagreement between tenants and the corporation and its contractors.

The clearest examples of this are where a contractor agrees with a tenant that a repair is required and makes recommendations to LAHC, only to have LAHC decline to repair or defer the work until later. Other examples include where superficial or cosmetic repairs are carried out, but overall the property remains in a bad state of repair because structural issues remain unaddressed.

Such issues are unlikely to be addressed by focusing on the management of repairs and maintenance contracts as this is ultimately about the decisions of the corporation and its approach to its obligations as a landlord in New South Wales.

### **Conclusion**

People who live in NSW and are tenants are unfortunately used to dealing with the challenges of an unequal system that means so often their need for repairs on their home are not prioritised by the property owner.

A privatised system will always have at its core the need to deliver profits.

The current system for the delivery of maintenance across public housing in NSW is not working, and demonstrates the failures of successive NSW Governments to invest in public housing adequately. The ever-increasing privatisation and outsourcing in this area has further exasperated this problem.

We would strongly support a recommendation from this Inquiry that Land & Housing Corporation should prioritise structural repairs over short-term fixes, and the objective of returning properties to the "safe, habitable condition" standard should be reviewed.

Further, we would recommend that the Land and Housing Corporation review the standards of repair it requires of its contactors and to have particular regard to its obligations to repair and maintain tenanted premises under renting laws in New South Wales.

Finally, we would urge the Inquiry make recommendations that would increase transparency and accountability around the contracts, respect and empower public housing tenants in the maintenance process, and remove the multi-layered and often dysfunctional communication channels that undermine the primary purpose of this whole endeavour which is to ensure things work for people.