

**Submission
No 26**

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

Organisation: Ventia

Date Received: 30 April 2021

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Mr Greg Piper MP
Legislative Assembly
Public Accounts Committee
Parliament of New South Wales
Macquarie Street
Sydney NSW 2000
Australia

Dear Mr Piper

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

I refer to your letter dated 30 March 2021 which invited Ventia to provide a submission to the Public Accounts Committee.

1. Background

1.1. Services provided by Ventia

Ventia is one of the largest essential services providers in Australia and New Zealand having grown from the acquisition of Broadspectrum in 2020. Today we have around 35,000 talented people and sub-contractors working on more than 400 projects and contracts across Australia and New Zealand.

Ventia has a strong commitment to sustainability, which includes putting safety and health above all else, minimising our environmental impact, improving diversity and inclusion in our workplace and the communities in which we operate and ensuring corporate governance.

Ventia welcomes the opportunity to provide a submission to the Committee as we are deeply committed to working with Land and Housing Corporation (LAHC) to provide respectful, efficient, and effective services to its Tenants. Ventia (through its legacy Broadspectrum business) has been providing services to LAHC since 2002.

Ventia is a head contractor to LAHC providing services across seven regional areas under a contract known as the Asset Maintenance Services Contract (Contract), where we commenced services in April 2016. Our services include the provision of responsive maintenance, planned maintenance and programs of work, projects, vacant restoration and call centre operations. Our services are provided 24 hours a day, 365 days a year across approximately half the LAHC property portfolio.

1.2. Contractual Limitations

As you may appreciate, it is very common in public and private sector contracts for parties to agree to protect confidential information of both parties. The Contract imposes various obligations on Ventia and LAHC to protect the confidential information of the other. Confidential Information is defined to include information that by its nature is confidential or that either party knows or ought to know is confidential. We are therefore somewhat restrained in our ability to answer all of the questions that are set out in your letter. The Contract itself is also not publicly available.

2. Provision of Asset Maintenance Services

2.1. The current repair status and physical condition of the public housing stock;

Ventia provides contracted services to properties within the regional areas awarded under the Contract.

Required services are identified through several avenues including at the request of a Tenant, Department of Community and Justice, LAHC or Ventia and its network of subcontractors. Delivery of services is then completed in accordance with the Contract, which provides clear direction on required approvals, timeliness, quality and supervision.

All properties that are vacated by Tenants are refreshed to LAHC's requirements, ensuring that LAHC complies with its obligations under the Residential Tenancies Act, prior to any new Tenant moving in. Ventia is proud to deliver these services as effectively as possible to ensure that public housing stock has maximum utilisation and meets the required standards.

Ventia also undertakes, in accordance with the Contract, Annual Compliance Assessments (ACA) on all facilities annually and Annual Condition Reports for properties that have essential and communal servicing works. Ventia further updates the Annual Compliance Assessment (ACA) after completion of any major works including Maintenance Programmed Works (excluding Component-based Repairs), Vacant Restoration, Modifications (for example for disability); and Major Fire Upgrades. This information is submitted to LAHC and recorded through LAHC's web-based asset management software.

Ventia works in conjunction with LAHC to proactively analyse the services to address responsive requirements more effectively and develop programs of work to improve and upgrade the condition of the stock and therefore amenity for Tenants. By way of example Ventia used its data science team to analyse the historical property servicing data and as a result identified and submitted for approval a significant program of sewer upgrades and roof replacements. Both ultimately reduced responsive work requirements and by extension reduced costs and improved outcomes for the tenants.

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

Ventia has a recognised triple ISO XXX quality accreditation. Our service delivery is underpinned by a commitment to delivering quality services within an ethos of continuous improvement.

Our work order management system provides a complex and effective triage functionality which ultimately ensures productivity efficiencies with smart scheduling tools and analysis. Our scheduling of work matches the requirements of the task with the best available and prequalified tradespeople. This considers qualifications, capability, pricing, equipment, performance and availability to deliver the service on time and to an agreed price. As importantly, it allows identification of trends, root cause issues, preventative maintenance opportunities again with the ultimate aim of reducing the total cost of ownership to LAHC.

Our field team of supervisors works closely with LAHC and our network of subcontractors to compliment the efficiencies and customer focused service delivery. Engaging subcontractors that understand the importance maintenance can bring in improving people's homes and wellbeing is critical to providing the services. Over the past 18 plus years Ventia has established a robust subcontractor network, spanning both the geographical coverage and the range of specialist services required under the Contract. We currently support approximately 300 subcontractors in the delivery of the Contract which includes 3,500 inducted personnel. Annually we spend over \$200m with small to medium enterprises, 100% of these subcontractors live locally in the regions of NSW which we service.

Ventia's assurance activities are designed to sample the breadth of our activities including trades, high risk areas, work order priority types, geographical location and value of work. We utilise various audit techniques including on-site and desktop audits (including with subcontractors and LAHC), documentation and photographic reviews, data analysis, subcontractor systems and competency assessments, to support the delivery of work to the standard and Tenant satisfaction surveys. The outcome of these audits is provided to subcontractors and LAHC and where corrective actions or opportunities for continuous improvement are identified these are formally tracked and reported through the Contract governance mechanisms.

Complimenting the in the field supervision, Ventia and LAHC leadership teams work collaboratively to ensure that the requisite supervision and governance is in place to support quality assurance and

consistency. The Contract has a detailed governance framework to oversee the operational delivery and Contract compliance. This extends to joint leadership site inspections.

Ventia's management frameworks are also applied to ensure compliance to the Contract as well as company policy and procedures including, for example, safety management, quality and assurance, People and Culture and Financial Management. This includes routine reporting, audits, executive site visits and compliance confirmations.

2.3. Any other matters;

Ventia proudly supports social enterprises in the delivery of services with over 13% of its total contract value being spent with social enterprises. Ventia have cultivated relationships with social enterprises over 8 years understanding that these relationships do not form overnight or without a lot of dedication and take time to develop the right approach and delivery quality. Ventia's teams have a proven track records in coaching and supporting social enterprises including safety management, work order management and administration support allowing the social enterprises to meet all Ventia contract requirements.

Over our longstanding relationship with LAHC, the contact models have allowed us to develop industry capability and safety cultures that improve service delivery, reduce cost and therefore improve Tenant outcomes.

Ventia delivers services through a network of local subcontractors including small to medium enterprises and social enterprises. As a large Australian contractor, we take pride in our approach to work with LAHC to utilise the Contract to support local and social enterprises, building industry capacity and capability in the NSW regions we deliver services in.

Ventia and its network of subcontractors cultivate a safe and inclusive workplace and are committed to providing local opportunities and employment opportunities for diverse and disadvantaged groups. Ventia's diverse team includes over 60 Aboriginal and Torres Strait Islander employees, 77 employees who currently are Tenants and over 150 apprentices.

We trust this assists the Public Accounts Committee with their review.

Yours sincerely



Rhys Barker
Executive General Manager, Social Infrastructure



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