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Deputy Chief Minister

Minister for Early Childhood Development

Minister for Education and Youth Affairs

Minister for Housing and Suburban Development

Minister for Women

Minister for the Prevention of Domestic and Family Violence

Minister for Sport and Recreation

Member for Ginninderra

Mr Hamish Finlay

Acting Clerk

ACT Legislative Assembly

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Dear Mr Finlay

Thank you for your letter dated 14 May 2024 regarding petition 010-24 lodged by Mr Mark Parton MLA. The petition calls on the ACT Government to launch a “Royal Commission into Housing ACT’s failure to maintain public housing properties placing tenants’ health and safety at risk”.

All Housing ACT tenants have the right to a safe, secure and adequately maintained home. The ACT Government acknowledges the petitioners’ concern for the prioritisation of repairs and maintenance that present as a risk to tenants in their homes.

The ACT Government will not launch a Royal Commission. With new and existing investment already in place to address public housing maintenance, the significant public cost of a Royal Commission would benefit neither public housing tenants nor the broader community. Instead, the ACT Government will continue to strengthen existing mechanisms and invest in new initiatives to further improve public housing maintenance and repairs for all tenants.

As the Territory’s largest social landlord with a portfolio of more than 11,700 properties, the ACT Government has obligations under the Residential Tenancies Act (1997) to ensure its properties meet health and safety standards set out in the legislation. This function is overseen by the Community Services Directorate through Housing ACT.

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The ACT Government upholds its facilities management responsibilities under the Residential Tenancies Act (1997) utilising a Total Facilities Management (TFM) model. This ensures the amenity, safety, security and condition of the public housing portfolio is preserved and continuously improved for the benefit of current and future tenants.

Royal Commissions

The Territory has provisions under the Royal Commissions Act 1991 (RCA) to inquire into a matter; however the establishment of a Royal Commission has financial implications which can be considerable. These costs would require significant investment of public funds. Further a Royal Commission cannot implement legal, governmental or policy changes itself, it can only make recommendations to the government and the time between conclusion and changes experienced by service users can be extensive.

While the Territory has participated in a number of Royal Commissions convened by the Commonwealth under its legislation, there has never been a Royal Commission under the RCA. In previous instances where there has been a call for a Royal Commission, the ACT Government has chosen other methods of inquiry rather than proceed with a commission of this type, largely due to the extended timeframes to consider and execute action and the considerable expense involved.

The ACT Government has several avenues to available examine and address matters raised in the petition including extensive complaints processes which are detailed further in this letter. The ACT Government is also examining other options for the future delivery of public housing repairs and maintenance, as also outlined below, to ensure public housing tenants receive the support they need.

ACT Government commitment to public housing repairs and maintenance

All Housing ACT tenants have the right to a safe, secure and adequately maintained home. The ACT Government has committed to responsive and cost-effective mechanisms to maintain public housing properties for the health and safety of tenants.

The Total Facilities Management (TFM) Services Agreement delivers outsourced repairs and maintenance services for social housing, Narrabundah Long Stay Relocatable Home Park and Bimberi Youth Justice Centre.

The agreement is currently held by Programmed Facilities Management.

The TFM Agreement has an estimated value of \$60 million per year and delivers on average 50,000 work orders across more than 11,000 properties each year. The TFM Agreement is anticipated to facilitate a repairs and maintenance program of approximately \$65 million in 2024-25.

Addressing health and safety risks in public housing

The current TFM contractor, Programmed Facility Management, engages local subcontractors to undertake the bulk of the repair and maintenance work, and is required to deliver these services in a

way that meets Housing ACT's obligations under the *Residential Tenancies Act 1997*, particularly with respect to the prioritisation of critical, safety related repairs and maintenance issues that present a risk to tenants in their homes.

Ensuring the liveability and safety of public housing extends beyond the structural integrity and maintenance of the physical bricks and mortar of the home. As a provider of housing for people experiencing vulnerability or disadvantage, the ACT Government recognises that for some people challenges such as mental health, domestic violence, frailty, and other personal factors, mean extra supports are needed to help them live independently.

In these cases, Housing ACT work in close partnership with specialist community agencies and the tenant to address both the physical surroundings and broader personal issues that may impact their ability to sustain a tenancy and a home.

Prioritising the delivery of repairs and maintenance.

The delivery of repairs and maintenance across the social housing portfolio is contractually divided into a ratio of 70:30; 70 per cent planned works to 30 per cent responsive works. This balance ensures immediate, urgent repairs are prioritised while the integrity and sustainability of the overall housing portfolio is maintained.

Planned works, while not critical in nature, are essential for the long-term preservation of the property and to enhance the liveability of the home for tenants. It ensures minor maintenance issues do not escalate into major problems. Some examples of planned work include routine maintenance and checks, annual inspections, preventive maintenance (such as painting or landscaping) and scheduled upgrades (such as kitchen or bathroom end of life replacements).

Responsive maintenance, by comparison, addresses critical and urgent issues that pose an immediate health or safety risk to tenants. Responsive works are categorised into levels of urgency, this allows for a triaging and prioritisation of work based on the severity and potential impact of the issue. Triaging ensures the most critical repairs are addressed swiftly and effectively, to prevent any compromise of tenant safety or further damage to the property.

Managing both planned and responsive works enables the ACT Government to meet its responsibilities as a social landlord under the *Residential Tenancies Act (1997)* and ensures urgent-safety related repairs receive the highest priority.

Raising maintenance concerns and issues

Housing ACT tenants are strongly encouraged to report all repairs and maintenance issues directly to the 24/7 Maintenance and Repairs call centre, via phone or email. This ensures immediate attention and prioritisation of all repairs and maintenance issues.

The ACT Government has a strong commitment to accountable government, open access to information and rights of review, appeal and compensation. All public authorities must act in a way that is compatible with human rights. There are strong protections and avenues to support

public housing tenants to raise and resolve concerns they may hold in relation to their health and safety.

Should tenants feel any repair or maintenance issue remains unaddressed, they are able to lodge a complaint. Housing ACT has a complaints process in place to appropriately investigate and resolve complaints. This includes, but is not limited to:

- discussions with their dedicated Housing Manager
- lodgement of formal complaints to the service providers and to Housing ACT,
- Housing ACT review of decisions
- Human Rights Commission and Ombudsman intervention,
- ACAT Tribunal hearings, and
- raising concerns directly with their local member and responsible ministers.

Complaints lodged with Housing ACT are thoroughly investigated and, when necessary, appropriate action is undertaken to remedy the issue raised.

On average there are 410 formal complaints made about property condition each year. This represents 3% of tenancies/tenants and 0.8% of all works completed. These avenues are appropriate and proportionate to address concerns raised and support a response as proposed.

In the case of critical, life-threatening situations, the first point of call for tenants, like all Canberrans, should always be emergency services via 000. In the case that a property requires a maintenance response during these events, Housing ACT takes appropriate action in close partnership with ACT Police, emergency services and relevant community service providers to address and mitigate the risks.

Urgent and safety related repairs and maintenance

Urgent and safety related repairs and maintenance issues, once reported, take precedence over planned and other responsive work. The TFM Agreement has four categories to ensure urgent work is scheduled and completed:

- a. Urgent 4 hour (U4) – Urgent maintenance work presenting as an immediate risk to health, safety or security, to be completed within 4 hours;
- b. Priority Next Day (PND) – Urgent maintenance work, which is likely to develop into a health, safety or security risk if not repaired, to be completed by 6:00pm the following day;
- c. Day 5 (D5) – Urgent work, to be complete within 5 calendar days; and
- d. Day 20 (D20) – Works that are not critical or urgent and do not impact on the liveability of the home, to be completed within 20 calendar days.

U4 and PND work orders require an immediate response to mitigate imminent safety risks in the home and includes responses for households compromised by an unforeseen emergency, family or domestic violence or vandalised by criminal activity. Some examples include lock changes, external door replacements or exposed live electrical wiring rectification.

Under the TFM Agreement, 10,000 work orders require a U4 response each year to secure and make safe properties across the portfolio, 96% of these works receive an onsite response within the required 4 hours.

On average, a further 4,500 work orders receive PND action to mitigate presenting health or safety issues within a property, 95% of these works receive an onsite response within the timeframes required.

Financial investment

The ACT Government is committed to investing in the Territory's social housing portfolio to ensure *Residential Tenancies Act* (1997) obligations continue to be met, tenants' health and wellbeing is prioritised and the overall standard of the wider portfolio is maintained.

The 2023-2024 budget demonstrated the extent of this investment, with \$177 million for Housing ACT to grow, renew and maintain high quality public housing over four years. That means the repairs and maintenance schedule for public housing in 2023-24 saw the completion of:

- a. \$51 million of planned maintenance and upgrades; and
- b. \$14 million of responsive repairs.

Building on this, the 2024-2025 ACT Budget included \$51.163 million over four years to deliver significant additional public housing repairs and maintenance including kitchen upgrades, domestic violence security works and disability modifications.

Future for public housing maintenance

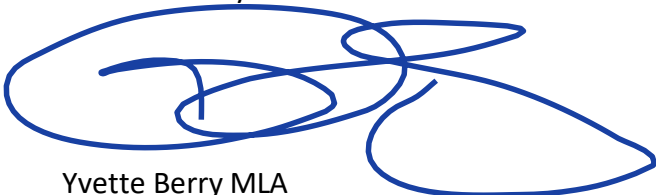
The Total Facilities Management Services Agreement, which delivers repairs and maintenance services for social housing, is one of the ACT Government's largest contracts.

Given the size of the contract and the significance of the services to some of Canberra's most vulnerable citizens, the ACT Government has announced a taskforce to investigate the benefits, costs and risks of the Government's readiness and capability to insource public housing repairs and maintenance.

Over the next two years, the ACT Government will explore the viability of insourcing, including conducting a trial, in partnership between Housing ACT and ACT Property Group, to manage general maintenance services in two multi-unit properties. This will provide real-world insights to inform the broader assessment of insourcing facilities management requirements.

Concurrently, the ACT Government will continue funding for Housing ACT to maintain high quality public housing through the Total Facilities Management Services Agreement for another two years.

Yours sincerely



Yvette Berry MLA
Minister for Housing and Suburban Development

21/08/2024

Cc Mr Tom Duncan

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