

1. Purpose

1.1 Asset Management Framework (AMF)

This procedure relates to section 4.2 (Structural Repairs) of the AMF, which should be read prior to initiating these procedures.

1.2 Contractual agreement

Community Housing Providers (CHPs) are required to undertake all necessary maintenance to ensure the structural integrity of the NSW Land and Housing Corporation (LAHC) properties in accordance with the relevant clauses of the Long Term Lease, being a lease of fifteen (15) years or more commencing on or after 1 January 2018, or any lease forming part of the Social Housing Management Transfer Program (the Long Term Lease), and the Short Term Lease being a lease of three (3) years or less (Short Term Lease). CHPs must comply with the relevant leases regarding structural repairs and maintain, repair and, if necessary, replace any fixtures and fittings installed by the Lessor or the Lessee for the whole term of the lease (and any holding over period).

2 Initial Procedure

2.1 Potential Structural Defect identified

Where a CHP identifies a potential Structural Defect (see section 2.2) in a property, a report by an independent, registered, structural engineer¹ will be required to support a request for funding and obtain LAHC's prior written consent to undertake the necessary Structural Repair² works.

Any Structural Defect which is assessed as being a high hazard and risk to health and safety must be addressed immediately with suitable risk elimination so far as is reasonably practicable, or if risk elimination is not reasonably practicable, risk minimisation actions such as barricades, and LAHC must be notified.

In preparing their report the independent, registered, structural engineer should be engaged by the CHP to:

- conduct a site inspection to assess site drainage, topography, presence of trees and abnormal moisture conditions in the building and any other site conditions that may be contributing to adverse structural outcomes
- identify any hazard that may pose a risk to safety and report this immediately and indicate any need for an urgent response.

This includes reporting:

- what action has been taken to eliminate the risk, so far as is reasonably practicable, and if elimination is not reasonably practicable, to minimise the risk, so far as is reasonably practicable
- what action is planned to rectify the Structural Defect
- capture appropriate visual documentation of the Structural Defect(s).

¹ Independent, registered, structural engineer is defined as an engineer not affiliated to either the CHP or to LAHC who is registered with the Association of Professional Engineers Australia.

² Structural repair is defined in section 4.2 of the AMF

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The independent, registered, structural engineer's report should include:

- all matters set out in the Structural Integrity Manual (SIM)
- description of the defect
- cause of defect
- cause of defect group
- a discussion of the risk(s) arising from the defect and the risk elimination and/or minimisation strategies proposed
- rectification strategy/approach
- itemised scope of works (SOW)
- the structural integrity rating (see section 4.2.1 of the AMF to calculate the structural integrity rating and for identifying and evaluating structural defects and rectification options)
- any additional works required and proposed maintenance to be undertaken should be clearly separated from structural matters
- photographs/raw data reference
- the risk management strategy implemented by the CHP.

2.2 Structural Defects

A Structural Defect has the meanings given to it in the Long Term Lease, and in the Short Term Lease

2.3 No Structural Defect identified

If following receipt of the independent, registered, structural engineer's report there is no structural defect to the property and the issue comprises maintenance repair, the CHP must:

- complete the maintenance repair on the property
- update their 1 year and 10 year Asset Maintenance Plans, if under the Long Term Lease.

LAHC will only reimburse CHPs for the structural engineer's report where:

- the report has been undertaken by an independent, registered, structural engineer, and the defect or damage is a Structural Defect as defined in the relevant lease.

2.4 Structural Defect identified

If following receipt of the independent, registered, structural, engineer's report, a structural defect to the property is found the CHP should obtain at least two (and LAHC later may request a third) independent quotes.

A completed LAHC Structural Submission Pro-forma with all required attachments for a structural claim should be sent to the LAHC mailbox: LAHC-CHPEnquiries@facs.nsw.gov.au

The submission to LAHC must contain all of the information and documents contained in section 2.1 above, and additionally:

- the independent quotes for works to rectify the structural defect, and
- signed confirmation from the CHP's Asset Manager (or a CHP officer that is senior to the Asset Manager) that the assessment criteria has been met.

3 Assessment Procedure

LAHC will assess the documentation provided by the CHP.

3.1 CHP responsibilities

The CHP must:

- pay all costs associated with the preparation of a structural repairs request for LAHC funding; including all required documentation. NOTE: This cost will only be reimbursed if the structural defect(s) is LAHC's responsibility as stated in the relevant lease
- be mindful that a comprehensive submission does not guarantee LAHC funding approval
- note that the submission will be thoroughly reviewed and assessed by LAHC professional services and a determination made
- note that LAHC will pay for the repairs if the structural defect(s) is LAHC's responsibility as stated in the relevant lease, and LAHC may carry out the repairs using in-house or contracted professionals depending on the individual circumstances of the request and works
- note that if the structural repairs request for funding is approved, a works funding agreement and purchase order in favour of the CHP will be forwarded to the CHP.
- ensure that the works funding agreement is executed by being signed by the appropriately delegated CHP representative and returned to LAHC prior to undertaking the agreed work
- ensure that certification of the work occurs following completion by an independent, registered engineer as described in the AMF
- ensure the work is carried out in strict accordance with the works funding agreement.

3.2 No Structural Defect found following assessment

If following assessment of the information provided by the CHP, no structural defect to the property is found, LAHC will advise the CHP that:

- the structural repair claim is declined
- the CHP is to complete the maintenance repair on the property
- the CHP is to update their 1 year and 10 year Asset Maintenance Plans, if under a Long Term Lease.

3.3 Structural Defect found following assessment

If following assessment of the information provided by the CHP, a structural defect to the property is found, and it is deemed under the relevant lease to be the responsibility of LAHC, LAHC will advise the CHP of the action it intends to take and negotiate with the CHP on timeframes for rectification/demolition works.

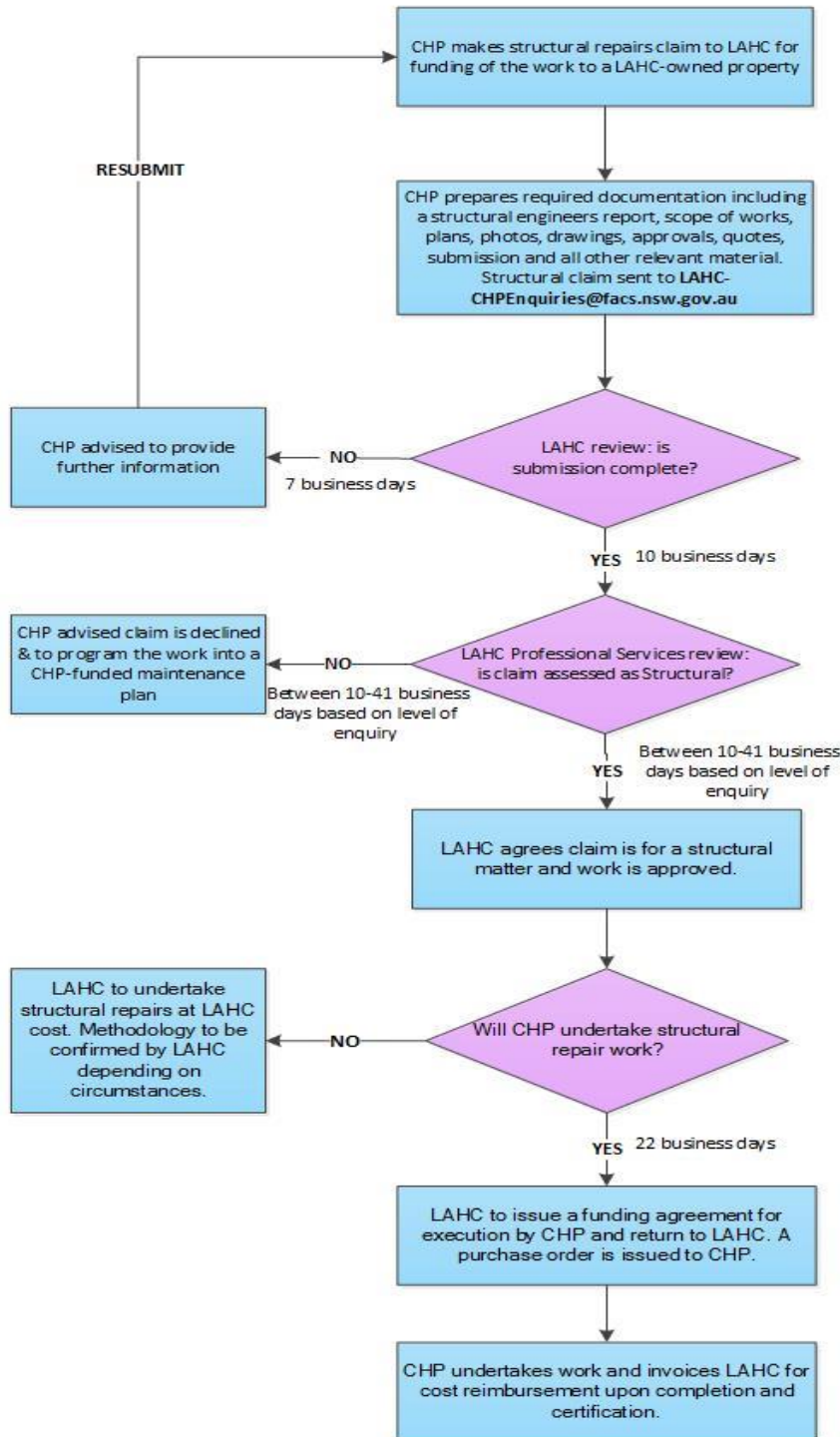
4 Enquiries

CHPs are welcome to direct any queries regarding structural repairs to LAHC at LAHC-CHPEnquiries@facns.nsw.gov.au LAHC Assets will liaise directly with the CHP on the matter raised and determine the outcome, as required.

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FOR LAHC-OWNED PROPERTIES MANAGED BY COMMUNITY HOUSING PROVIDERS



STRUCTURAL SUBMISSION PRO-FORMA



FOR LAHC-OWNED PROPERTIES MANAGED BY COMMUNITY HOUSING
PROVIDERS

STRUCTURAL SUBMISSION PRO-FORMA **– CHP Structural Repairs Request**

1. COMMUNITY HOUSING PROVIDER DETAILS

- **NAME :**
- **ADDRESS:**
- **ABN:**
- **CONTACT PERSON:**
 - Telephone:
 - Mobile:
 - Email:

2. LAHC OWNED PROPERTY DETAILS

- **PROPERTY ADDRESS:**
- **TYPE OF PROPERTY:**
- **NO OF BEDROOMS:**
- **CATEGORY/PROGRAM:**
- **LEASE COMMENCED:**
- **SUB TENANT:**
(Service provider)

3. BACKGROUND INFORMATION

- **Recent Maintenance works carried out by CHP and Date**
- **Recent property inspection carried out by CHP and Date**

- **DATE IDENTIFIED:**
- **HOW ISSUE WAS IDENTIFIED:**

- **ACTION TAKEN BY CHP:**

STRUCTURAL SUBMISSION PRO-FORMA



FOR LAHC-OWNED PROPERTIES MANAGED BY COMMUNITY HOUSING PROVIDERS

4. DESCRIPTION INFORMATION	
<ul style="list-style-type: none">• IMPACT ON PROPERTY:	
<ul style="list-style-type: none">• IMPACT ON TENANTS:	
<ul style="list-style-type: none">• RISKS AND URGENCY	
5. STRUCTURAL REPAIRS REQUIRED	
<ul style="list-style-type: none">• STRUCTURAL WORK:(Work required to rectify the structural defects)	
<ul style="list-style-type: none">• ASSOCIATED WORK: (Work required as a direct consequence of the Structural repair work)	

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6. OFFICE ESTIMATE

- OFFICE ESTIMATE INCLUDED:
Y/N

- ORIGINAL ESTIMATED COST
(excl. GST):

- REVISED ESTIMATED COST
(excl. GST):

- REASON FOR REVISION:

7. DETAILS OF QUOTES RECEIVED

CONTRACTOR	ABN NO	TENDER AMOUNT (excl. GST):	COMPARISON O/E \$ (excl.	COMPARISON O/E %
1.				
2.				
3.				

STRUCTURAL SUBMISSION PRO-FORMA



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8 EXAMINATION OF QUOTES RECEIVED	
<ul style="list-style-type: none"> EVALUATION METHODOLOGY: PREFERRED CONTRACTOR (Based on evaluation methodology): CREDENTIAL CHECK: LOWEST QUOTE: REASON FOR PASSING OVER LOWEST QUOTE: 	<p>CHP - Considerations when assessing the quotes received.</p> <p>“Value for Money”</p> <p>Price- Y/N (Highest weighting)</p> <p>Past performance working for CHP- Y/N</p> <p>Previous experience doing similar work -Y/N</p> <p>Quality and detail provided in the Quote- Y/N</p> <p>Current commitments/availability – Y/N</p> <p>Other (<i>List</i>)</p> <p>Other (<i>List</i>)</p>
	<p>Currency of Licences and Insurances.</p> <p>Suitable Trade licence checked – Y/N</p> <p>Workers Compensation current- Y/N</p> <p>Public Liability current- Y/N</p> <p>Other (<i>List</i>)</p>
	<p>YES OR NO</p>

9. RECOMENDED CONTRACTORS DETAILS	
NAME:	
ADDRESS:	
CONTACT:	
PHONE;	
EMAIL:	
QUOTED PRICE (excl. GST):	

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PROVIDERS

10. RECOMMENDATION REASONS:- *(Description of recommendation and request to LAHC)*

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10a. SUBMISSION COSTS:- *(Details of reimbursement request to LAHC)*

Description	Details	Cost Excl. GST
Structural Works Cost (Including Engineering Reports and Certification of works where applicable)		
CHP Management fees – 5% of construction costs (Note:- This will only be varied on an individual case by case basis where substantiated)		
Total Reimbursement (Full amount being claimed for reimbursement by the CHP.)		

11. ANY KNOWN CONFLICT OF INTEREST:- *(Declare any conflict of interest by providing details here)*

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STRUCTURAL SUBMISSION PRO-FORMA



FOR LAHC-OWNED PROPERTIES MANAGED BY COMMUNITY HOUSING PROVIDERS

12. SUBMISSION CHECKLIST:-		
ENGINEERS REPORT:- Y/N	(Report should clearly detail the structural issue as per attached Table 1 - Summary of Defects Remedial Works and Cost and the Guidelines of Structural Engineering Reporting Template)	
PHOTOS:- Y/N	(Colour photos of site and affected areas)	
PLANS or DIAGRAMS:-Y/N	(Site Plan, structural problem area, recommendation)	
QUOTES:-Y/N	(Quotes from suitably qualified/insured contractors)	
SUBMISSION TEMPLATE:-Y/N	(Completed CHP PF_06 Submission form)	
OTHER:-Y/N	(Other supporting documentation)	
13. SUBMISSION SUMMARY:-		DATE:-
PREPARED BY (Name)		
(Position)		
APPROVED BY (Name)		
(Position)		
SUBMITTED BY (Name)		
(Position)		

CHP Procurement Guidelines & Principles

BACKGROUND

This document outlines the requirements and expectations of the New South Wales Land and Housing Corporation (LAHC) in relation to Community Housing Providers and the procurement of structural works required for LAHC properties under their management.

Consistent with the [FACS Statement of Business Ethics](#), LAHC expects its external partners to act fairly, honestly and in an ethical manner. Key expectations include:

- complying with the applicable FACS legislative requirements, as well as relevant government policies and procedures
- acting honestly, ethically and transparently in all dealings with FACS and our clients who we serve
- notifying FACS of any real or perceived conflict of interest (relevant to your dealings with FACS) as soon as you become aware of the conflict, including any proposal to manage the conflict
- maintaining privacy and confidentiality of information, including any release of information to the media without departmental approval
- not engaging in any form of collusive practice such as offering gifts, incentives or inducements to FACS staff
- reporting any suspected fraud or corrupt conduct (relevant to your dealings with FACS) to FACS immediately

PROCUREMENT PRINCIPLES

The Independent Commission Against Corruption (ICAC) has identified five principles to enhance the probity of procurement, contracting and similar processes. They are:

- obtaining best value for public money
- ensuring impartiality and fairness
- accountability and transparency
- dealing effectively with conflicts of interest
- confidentiality.

LAHC expects that CHPs will undertake the procurement of structural engineering reports and structural works in accordance with the above principles.

Value for Money

The principal goal of procurement is to 'ensure best value for money in the procurement of goods and services by and for government agencies' under section 171 of the Public Works and Procurement Act 1912 (the Act). Achieving value for money underpins responsible financial management.

Value for money is the difference between the total benefit derived from a good or a service against its total cost, when assessed over the period the goods or services are to be used.

STRUCTURAL SUBMISSION PRO-FORMA



FOR LAHC-OWNED PROPERTIES MANAGED BY COMMUNITY HOUSING PROVIDERS

Value for money = Total lifetime benefit – total lifetime cost Benefits, costs and risks include money and non-monetary factors.

Value for money is achieved when the ‘right sized’ procurement solution is selected to meet an agency’s need. Further information can be found at the NSW Government [Value for Money Statement](#)

Probity, Transparency and Accountability

While obtaining best value for money is the principal goal of procurement, the process followed to achieve that result must demonstrate compliance with the law and government policy plus fair and impartial treatment of all Tenderers. Failure to do so will weaken the credibility of the procurement process and outcome which could result in public criticism, legal challenge or termination of the procurement process and consequent delays in commencement of the proposed Contract.

All involved in the procurement project are to respect and adhere to the following fundamental requirements:

- act at all times in a professional manner
- act lawfully, fairly and honestly
- act impartially and not give preferential treatment to any respondent or individual
- maintain appropriate records of decision-making
- make decisions are not influenced by private interests
- undertake a procurement process that is impartial, assessed on merit, transparent and can withstand scrutiny.

Conflict of Interest

A conflict of interest may arise when an individual associated with the procurement process and selection decision has an interest (financial or non-financial) that may prejudice their impartiality and in doing so may influence the outcome. Such a conflict of interest may be real, perceived or potential and must be declared and managed correctly during the procurement process.

Tendering Thresholds

When undertaking the procurement of engineering reports and structural works on behalf LAHC, the following procurement process is to be followed:

Table 1

Pre-tender estimate (excl. GST):	Procurement Process
Less than \$30,000	1 written quote
\$30,000 to \$150,000	Minimum 3 written quotes or tenders
\$150,000 and above	Open tenders.

NOTE:-The Asset Management Framework (AMF) –Structural Repairs Operational Procedure

2.4 Structural Defect identified

If following receipt of the independent, registered, structural, engineer's report, a structural defect to the property is found **the CHP should obtain at least two (and LAHC later may request a third) independent quotes** and send a submission for a structural claim to LAHC, Strategy, via the mailbox: LAHC-CHPEnquiries@fac.s.nsw.gov.au

NOTE:

Although the tendering thresholds shown in the above *Table 1* specify that work with a pre-tender estimate below \$30,000 require 1 written quote under procurement guidelines, the AMF Structural Repairs Operational Procedure stipulates that:

- "...the CHP should obtain at least two (and LAHC later may request a third) independent quote. The AMF has been nominated as a best practice procedure and should be followed".