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Policy: Property Assessment Survey (PAS)

Land and Housing Corporation (LAHC)

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1 Purpose of policy

1.1 Purpose

This policy explains the Property Assessment Survey (PAS) process and how it functions to support the Land and Housing Corporation's (LAHC) management of its State-wide asset portfolio.

1.2 Background and policy links

LAHC prioritises the strategic management of its asset portfolio to:

- maintain service capabilities at optimum levels
- mitigate risks and losses arising from asset failures
- ensure the continued provision of appropriate accommodation for social housing tenants.

A constant flow of current information about the condition and performance of every asset in LAHC's portfolio is essential to efficient portfolio management, facilitating the provision of safe, habitable and clean accommodation for social housing tenants.

The PAS entails regular site inspections of randomly selected assets, including their buildings, grounds and common areas to visually assess their internal and external condition. PAS information assists LAHC to prioritise those properties most in need of maintenance and/or upgrade work across the state based on the results when measured against LAHC's Asset Performance Standards benchmark. The information and data collected via the PAS includes asset amenity, property condition, component failures, environmental attributes, Geo Coding, safety and structural integrity issues and information to validate existing property data. PAS does not include detail inspection of roof, infrastructure, non-core assets, etc., which is accommodated by more detailed assessments based on risk.

The PAS data is used in a variety of applications across the organisation to improve business performance. One important aspect is the link that PAS data provides between maintenance objectives and asset performance, setting a universal asset benchmark for the entire state-wide portfolio. In addition, PAS is to ensure maintenance programs and funds are allocated where needed to maintain properties to standard.

The PAS data is a fundamental component of strategic portfolio planning, corporate reporting, property valuing, and the development of maintenance and upgrade work programs. PAS data may also be used to quantify estimates for maintenance and upgrade works when seeking funding from NSW Treasury.

Between 2012 and 2014, LAHC's entire portfolio of approximately 150,000 properties, as well as approximately 5,000 Aboriginal Housing Office (AHO) properties managed by LAHC, were surveyed. This data set was used to compile a comprehensive baseline survey.

A statistical methodology developed using a stratified random samples of properties across agencies, sectors (LAHC, community housing and AHO), regions, maintenance contract areas and property types, indicated that the minimal number of properties (% of properties) that should be surveyed annually was 10% of LAHC's portfolio (i.e. approximately 15,000 properties).

However, as LAHC’s portfolio is constantly changing in terms of condition and size, it is considered prudent to increase this volume and frequency so that a minimum of 33% of the portfolio is surveyed annually and the entire portfolio every three years. Conducting a PAS survey every three years will allow each asset to be benchmarked against LAHC’s Asset Performance Standards and its performance measured according to its triennial maintenance expenditure. Real-time condition and performance data can be used to refine and inform asset life-cycle models, property disposals and acquisitions as well as planned and preventative maintenance programs.

This valuable data will be retained and made accessible through appropriate IT systems that meet LAHC business requirements and ongoing challenges.

2 Definitions

The table below is a list of terms, keywords and/or abbreviations used throughout this document.

Term	Definition
AHO	Aboriginal Housing Office
CHPs	Community housing providers
DCJ	The Department of Communities and Justice
DPIE	Department of Planning Industry & Environment
LAHC	Land and Housing Corporation
PAS	Property Assessment Survey
RTA	Residential Tenancies Act 2010 (NSW)

3 Scope and application

This policy applies to LAHC owned properties managed by The Department of Communities and Justice (DCJ), community housing providers (CHPs) under short term leases, as well as AHO owned properties managed by LAHC.

This policy does not apply to head-leased properties of private owners.

This policy does not apply to LAHC owned properties managed by CHPs under long term leases of 20 years or more (e.g. under the Social Housing Management Transfer Program or similar), where CHPs are required to undertake the LAHC PAS.

4 Legislation

The PAS Policy was developed in accordance with:

- *Housing Act 2001*
- *Residential Tenancies Act 2010 NSW (RTA) and Regulations*
- Terms of the residential tenancy agreement.

5 Policy statement

LAHC ensures its properties are habitable and fit for purpose through the timely delivery of maintenance to support LAHCs property condition and asset performance standards for existing dwellings. These standards and conditions reflect the requirements of the RTA for the provision of clean, safe and habitable dwellings. To maintain fit for purpose properties, LAHC will undertake a range of annual property assessment surveys which collect information on the condition of property assets across its state-wide portfolio.

5.1 Usage of PAS data and information

LAHC will use data and Information collected via the PAS (and other property assessments) to develop planned and preventative maintenance programs and to estimate “Maintained Benchmark” standards for each dwelling. Dwellings that do not meet the maintained benchmark standards are prioritised for planned and preventative maintenance programs.

5.2 Frequency and size of surveys

LAHC is committed to undertaking the PAS on a minimum of 33% of the property portfolio each year and will ensure that the entire property portfolio is surveyed at least once every three years, subject to available funding. This will allow LAHC to use up-to-date property data for formulation of various policies and strategies and also for developing asset management and maintenance programs.

The program size will be designed to ensure that LAHC owned properties managed by DCJ, CHPs under short term leases as well as AHO owned properties managed by LAHC will be included, along with a ‘control group’ to make sure the maintenance program is aligned with PAS outcomes.

5.3 Transition-In

LAHC will transition from a 10% annual PAS to a 33% annual PAS across its portfolio from the 2021/22 FY. One of the benefits of increased sampling is there will be no need to supplement PAS with annual compliance assessments (ACA) under LAHC’s maintenance contract. The ACA will revert to a legislative check (e.g. smoke alarm servicing) at a reduced cost to LAHC, thus offsetting PAS costs to some extent.

6 Roles and responsibilities

The main roles and responsibilities for the implementation of this policy are as follows:

1. The Chief Executive LAHC will approve the policy following endorsement by the LAHC Executive Committee.
2. The Head of Portfolio Management will endorse and approve all related documents necessary to implement the policy.
3. The Director Operational Policy and Standards (OPS) will program manage the PAS and review the policy every three years.
4. The Director, Upgrade & Programmed Works will manage the external service providers to deliver the PAS program on the ground.
5. LAHC staff will ensure the policy is effectively implemented.
6. DCJ Housing, CHPs and the AHO should be aware of the policy.

7 Monitoring, evaluation and review

It is the responsibility of Director, OPS to monitor, review and update this policy at three year intervals which will coincide with PAS contractor engagement periods.

This policy will be reviewed in line with any significant new information, LAHC strategic objectives and legislative changes.

8 Support and advice

You can get advice and support about this policy from:

- LAHC Portfolio Management Division – OPS
- Reference Document: Overview of the PAS (February 2018).

If you are reviewing a printed version of this document, please refer to the Department of Planning, Industry & Environment and LAHC intranet to confirm it is the most recent version of the policy. Following any subsequent reviews and approval, this policy will be uploaded to the internet/and/or intranet and all previous versions removed.