

Maintenance Planning Guide

Community-Housing Performance-
Based Registration System

Office of Community Housing
Performance Management and Review
Unit

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1 Introduction

1.1 What is Maintenance?

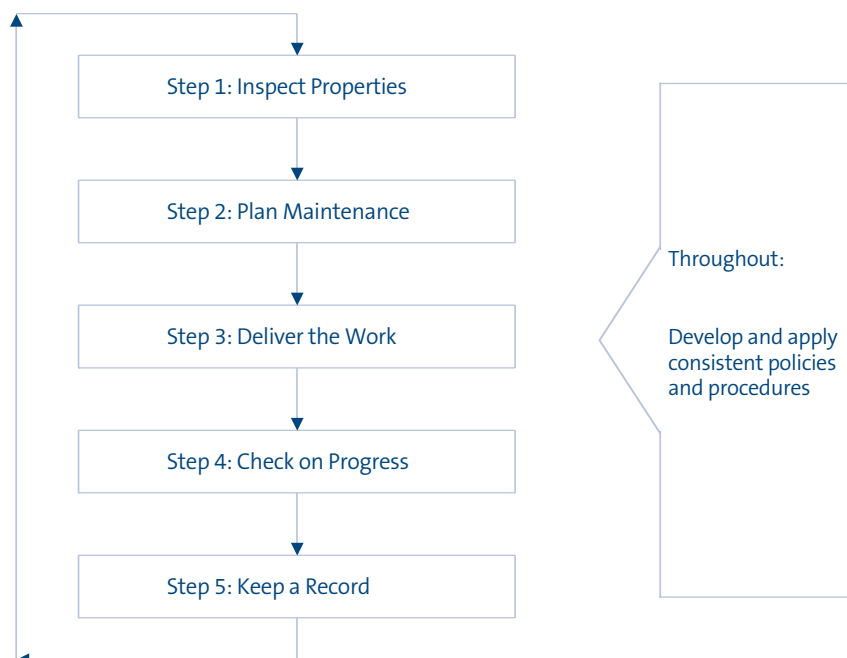
Maintenance is the work that is necessary to arrest the deterioration of a house that occurs over time and retain the house in, or restore it to, an agreed condition. It protects the safety and amenity of tenants and there are statutory obligations that must be observed.

Maintenance keeps houses safe and secure, protects their amenity and allows them to continue in service for their intended life span. Without maintenance, materials deteriorate to the point where expensive repairs and replacements become necessary and houses grow progressively unsafe and unliveable.

Maintenance needs to be carefully controlled and managed - it is a major cost and efficient management can bring genuine savings. This document is intended to help housing organisations plan and manage the maintenance of the housing in their care.

1.2 The Maintenance Cycle

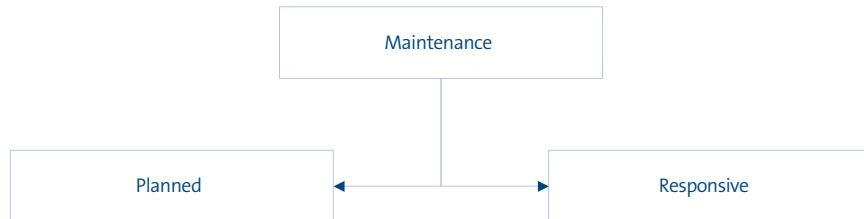
Repairing and maintaining houses is more than just organising for repairs to be carried out. It involves a continuous cycle of planning, organising, doing and checking. The cycle can be pictured as follows:



Planning maintenance (the focus of this guide) is simply one step in the cycle. However, to put planning into context, all the steps will be covered with a specific emphasis on Step 2.

1.3 Types of Maintenance

There are two types of maintenance - either “planned” or “responsive”.



1.3.1 Planned Maintenance

Planned maintenance is work that can be anticipated in advance and can, therefore, be scheduled to be carried out when it is due. Examples are painting; carpet replacement; bathroom renovations; or inspecting smoke alarms.

Note: Planned maintenance is also known as cyclical maintenance.

1.3.2 Responsive maintenance

Responsive maintenance is work that is attended to as it arises. Examples are reglazing broken window-panes; clearing blocked sewers; or fixing a leaking gas main.

Note: Responsive maintenance is also known as day-to-day, unplanned, urgent and emergency maintenance.

There are many advantages of planned maintenance that can be anticipated: items can be bundled with other work to gain economies of scale; the delivery of the work can be scheduled to suit tenants and contractors; the results can be specified and controlled more effectively; and long-term budgets can be prepared.

Consequently, it is generally preferred to handle maintenance on a planned basis whenever possible.

Different organisations may use different names or have different definitions for planned and responsive maintenance (including the Department of Housing [DoH]). The DoH recently revised the names it gives to planned and responsive maintenance, with the new titles being:

Type	Name	Description
Responsive	Repairs Priority 1	<i>Emergency:</i> to be completed within 4 hrs
	Repairs Priority 2	<i>Urgent:</i> to be completed by 6pm the next day
Planned	Planned maintenance Priority 1	<i>Routine:</i> to be completed within 5 to 20 working days
	Planned maintenance Priority 2	<i>Planned:</i> to be completed as part of a longer term cycle egg: three to nine months

1.4 What Maintenance are you Responsible For?

A community-housing organisation's responsibilities depend on whether it has responsibility for planned maintenance. Normally, a community-housing organisation has responsibility where the property is capital - a capital property is one that is either owned by the community-housing organisation itself, or owned by DoH (or another organisation) but managed by the community-housing organisation. Normally, a community-housing organisation does not have responsibility for maintenance where the property is head-leased in the commercial rental market as the management of the property resides with the landlord (the community-housing organisation holds a tenancy and re-lets the property). An organisation is not normally responsible for structural maintenance unless it owns the property or there is a written agreement that it will take responsibility for structural maintenance.

Property	Community-housing organisations are typically responsible for:
Capital properties:	All repairs and maintenance other than of a major structural nature (which is covered by OCH). May not have responsibility for planned maintenance on capital crisis accommodation properties.
Head-leased properties (long term lease, usually 10-15 yrs)	All repairs and maintenance except for fair wear and tear and that of a major structural nature/external maintenance (this is the responsibility of the landlord). The organisation organisation is also responsible for carrying out mid-term cyclic maintenance (replacing carpets, internal painting etc) with funds provided by OCH.

Head-leased properties (short term lease, usually 1-3 yrs)

To leave the premises in a condition at the end of the lease that is as close as possible to that at the beginning of the lease (fair wear and tear excepted).

Check lease documents to confirm specific requirements for individual properties.

1.5 Repairs Covered by Insurance

Some damage to a property may be covered by insurance (check the policy details). Typically, insurance would cover unforeseen work such as:

- Minor items such as broken windows, tiles lifted by storm etc;
- Major damage caused by fires, severe storm or water damage etc.

Work that is covered by insurance should be **excluded** from your maintenance plan and from maintenance budgets. Insurance premiums should not be included in your maintenance plan as they are a recurrent operating cost.

2 Step 1: Inspect Properties

2.1 Property Condition

In order to maintain houses, the organisation needs to know their condition. This means conducting regular inspections.

Every property should be inspected **annually** (at a minimum) to reveal its maintenance requirements and to determine priorities for future funding. Inspections should also be carried out:

- When a property has a specific problem, or to check that the outcome is satisfactory when significant work has been done;
- Before a tenant moves in so as to set a baseline for the occupancy; and
- When a property becomes vacant in order to assess the work needed before it is re-tenanted.

2.2 Property Inspections

Inspections (also known as condition surveys or scooping) should be carried out by people who understand the standards specified for community-housing and, where technical matters are concerned, possess the appropriate qualifications.

A sample inspection pro-forma is provided at Attachment 3 for organisations that wish to conduct the inspections themselves. Other inspection forms can be found in the DoH Asset Standards (see References) or obtained from the NSW Real Estate Institute. Otherwise, professional inspectors can be engaged. Most of these will have their own inspection sheets.

Tenants should be encouraged to report any problems they find as soon as possible. It is usually easier to correct problems in their early stages, rather than waiting until serious deterioration is evident.

Inspections provide an opportunity to ensure the safety of properties. For example, in properties built before 1987, check for the potential presence of asbestos products and in those built before 1970, lead paint may have been used. For joined dwellings, check that fire walls carry through to the underside of the roof. More information on these topics is given in Attachment 4.

3 Step 2: Plan Maintenance

3.1 Developing a Maintenance Plan

The next step is to plan what needs to be done and record it in an “Asset Maintenance Plan” (AMP). The Plan provides a “road map” of what needs to be done, by whom, when, and at what cost. It is helpful to both the housing organisation and OCH, allowing:

- The organisation to plan and budget for one of its largest expenditures;
- OCH to monitor whether the organisation is setting aside sufficient funds for maintenance and keeping its maintenance liabilities under control.

3.2 Plan for the Long Term

A long-term perspective needs to be taken when planning maintenance; a one-year plan is simply not adequate. Problems arise in different cycles, for example, external paint may need recoating every 6 to 8 years; kitchens may last up to 25 years depending on usage; water heaters may last around 15 years and so on. (The cyclical maintenance lifecycles are shown in Attachment C and they range from 5 years through to 50 years.) The plan should be based on these cycles; historical maintenance records; the age of the building; building construction; and inspections. The plan itself must cover a minimum ten year period as anything less does not allow the necessary time to implement strategies where the plan is not affordable.

Remember: The Asset Maintenance Plan must be based on actual maintenance requirements, not on the funds available.

Strategies need to be developed over the short and long term where funds are not sufficient to meet the plan. (Contact Assets and the Service Development and Implementation (SDI) Co-ordinator about strategies.)

Where a plan is prepared in excess of ten years (this is good practice), costings are only required for the first ten years as they are not reliable into the longer term. Such a plan is sufficient to show the ability of the organisation to implement the plan and therefore, to protect the public investment in government properties. Costings for the first five years help demonstrate financial viability and those for the second five years show the sustainability of the organisation. Type 1 community-housing organisations may decide to strategically cost the second ten year period to provide confidence of sustainability and allow for the development of long-term strategies. The first ten years of a plan must be costed annually; any costings for subsequent years can be costed in five-year periods. (For more details on the implication and use of costings in the AMP, refer to Guidelines for Restricted Cash.)

It must be remembered that the AMP is a guide as to when maintenance is to be done. At times, opportunities may present themselves for a more strategic approach to maintenance. For example, the AMP may show that the kitchen and bathroom in a property will be replaced in the next year. However, the property is vacated in the current year and it would be more strategic to replace these before allocating a new tenancy. A property may also require changes to meet specific needs of a tenancy and this would need to be done outside the AMP.

In preparing the AMP, all capital properties need to be included. An organisation will not need to show details of non-DoH properties when providing a copy of the plan to Performance Management and Registration (PMR) Team. Only total costs of maintenance for non-DoH properties is required in the copy provided to PMR. It is important to know the total cost of planned maintenance for all capital properties as this informs financial viability and sustainability and restricted cash requirements.

3.3 Who Should Prepare a Plan?

Each organisation is required to have an up-to-date Asset Maintenance Plan (AMP). The AMP will be assessed as part of the PBRs registration performance review. A plan is required to demonstrate two of the nine performance outcomes:

- Performance Outcome 2 – community-housing properties are appropriately used and maintained through clear and effective property and tenancy management practices;
- Performance Outcome 7 – the community-housing organisation is a viable business with adequate resources to meet current and future business and financial commitments.

Further, organisations are expected to:

- Review and update their plans annually; and
- Submit their plans to OCH for review once a year.

3.4 What Should a Plan Contain?

As a general rule, simple is best. The finished document should be as short as possible whilst including the essential elements. The organisation's Board must formally endorse the AMP. A check-list is provided (Attachment A) which needs to be completed and attached with the plan sent to PMR.

The AMP should enable you to answer the following key questions:

3.4.1 What Properties are we responsible for maintaining?

List in a property register (Attachment B) all the basic details of the properties. For non-DoH properties show details for internal control but when supplying a copy to PMR, only the total of non-DoH properties is required.

3.4.2 To what standards should our properties be maintained?

Community-housing sector properties (not just DoH properties) are expected to comply with NSW Housing Asset Standards. (A copy may be obtained from OCH.)

3.4.3 What maintenance will be needed on each property?

Following inspections, list the planned maintenance scheduled for each property.

Base the planned maintenance on the information gained from inspecting the properties (for example, for property A, the bedrooms may need painting in 2 years time, and then repainting in another ten years); age of the property; maintenance history; building fabric; and the Indicative Life Cycles per Attachment C. When costing the plan, typical amounts to allow for planned items are also shown in Attachment C. Remember that these costs are guides and the market costs for each individual area may be used.

As a general guide for capital properties, when condition inspection data is not available, allow about 1% of the replacement cost of the dwelling for planned maintenance and 0.5% for responsive maintenance. (As a guide to replacement costs, see the amount shown on your insurance policy, or contact OCH.) Note that OCH suggest a **minimum average** of **\$2,200** per capital property as an annual allowance to cover both responsive (\$700) and planned maintenance (\$1,500).

3.4.4 What will be the total cost of maintenance for all properties?

Insert the maintenance costs of each property into a spreadsheet to create a budget and work schedule for all properties over the next ten years or longer. Remember to either use the indicative costs in Attachment C or the market costs for each local area.

Add an allowance for the likely cost of responsive maintenance. The allowance for responsive maintenance is usually based on what has been spent in the past, adjusted for any changes in factors such as tenant usage or revised management policies etc.

Information on past expenditures can be found in the maintenance log (see Step 5).

Add an amount for annual expenses such as property inspections and maintenance levies to bodies corporate and any project management fees. Do not include an amount for unforeseen contingencies.

3.4.5 How will the work be funded? What provisions should be raised each year?

When the future costs are known, it will be possible to calculate how much should be set aside each year from income and, where income in any year does not cover the costs, other sources (for example, cash reserves) to cover the cost of maintenance. (Refer to the Draft Guidelines for Restricted Cash.)

3.4.6 How will the work be organised and delivered?

Consider questions such as: Who will be used to specify the work and manage the contractors? (for example, in-house staff, Resitech or an external project manager); How will work be prioritised when funds are limited? (Refer to Step 3.)

3.4.7 How will progress be monitored?

Establish performance indicators to monitor completed work and reveal problems and risks in a timely manner.

4.1 Organising the Works

4 Step 3: Deliver the Work

Simple repairs, where the problem is straightforward, can be referred directly to appropriate tradespeople and contractors.

For more complex work that needs to be documented (that is, with specifications, drawings and contract documents); approvals obtained; tenders called and evaluated; and the work supervised on site, consider engaging a suitably qualified project manager.

A written contract is required for any building and maintenance work with a labour cost over \$200. Department of Fair Trading contract forms may be purchased by phone order on telephone: 1800 639 722. The suggested contract forms are:

- Department of Fair Trading Minor Works Contract, for work less than \$5,000;
- Department of Fair Trading Renovation Contract, for work from \$5,000 to \$25,000.

Housing organisations are encouraged to adopt a standard financial Chart of Accounts for recording maintenance expenditures. This will allow organisations to manage maintenance expenditures on a consistent basis.

5.1 Checking Progress of the Work

5 Step 4: Check on Progress

Completed work should be checked to make sure it is satisfactory. Tenants can report on the completion of minor items, but more major work should be inspected and signed off by the organisation.

The AMP should ensure that maintenance carried out over the year for all of the organisation's houses is on track. An effective way to do this is to nominate and then monitor performance indicators.

5.2 Performance Indicators

Performance indicators should typically cover issues such as:

Issue	Are projects coming in within budget?
Typical indicator	For projects completed in a period, what is the final cost/budget estimate (as a %)?
Typical target	Within +/- 15% of estimate
Issue	Does our expenditure match our prediction?
Typical indicator	What is the actual expenditure to date (including commitments)/expenditure predicted to date (as a %)?
Typical target	Within +/- 15% of predicted
Issue	Is maintenance work being conducted in a timely manner?
Typical indicator	Number of projects exceeding specified time, as a % of total number of projects
Typical target	Less than 10% of total number.
Issue	Is there enough spending on maintenance?
Typical indicator	1. Average annual allowance per capital property 2. Average annual allowance as a % of replacement cost
Typical target	1. \$2,200 min 2. 1.5%

6.1 Maintenance Log

6 Step 5: Keep a Record

A Maintenance Log should be kept of all work carried out on each property. The log should include:

- Any maintenance requests received;
- All work carried out including what was done (may include photographic records and sketches); quotes received; the cost; date carried out; the contractor used; insurances claimed etc;
- A cost summary of past annual expenditure on the property, separated into planned and responsive maintenance;
- When essential servicing is due, for example, smoke alarms, pest inspections;
- Any warranties and guarantees that may be relevant, for example, water heaters, stoves etc.

This record of work performed plus a warning system of when future servicing actions fall due, will help to plan an annual maintenance budget and calculate the forward financial provisions that should be set aside.

The log can take many forms including: a simple card system (for example, a card per house); a file system; or a computer database.

6.2 Policies and Procedures

Housing organisations should have a written set of policies and procedures covering the planning and management of maintenance and repairs of properties. Typical topics include:

- Administrative practices (for example, the role of the maintenance committee; delegations; keeping tenants informed; keeping up to date property files etc);
- Financial practices (for example, maintenance budgeting; obtaining quotations; expenditure control; expenditure reporting etc);
- Tenant responsibilities for maintenance and repairs;
- Property inspections (purpose; when; who etc);
- Managing the maintenance (for example, emergency; urgent; routine; cyclical etc);
- Selecting and managing contractors (for example, terms of engagement; pre-selected panels; forms of contract; managing variations; performance review etc);
- Insurances.

For advice or assistance on general maintenance matters and maintenance policies, contact the OCH Regional Team Leader:

7 Office of Community Housing Support

Region	Telephone	Fax
Metropolitan	8753 8251	8753 8295
Hunter	4925 6367	4925 6311
South Eastern	4224 5778	4224 5775
Western	6360 8158	6360 8108
Northern	6650 1399	6650 1395

For advice on technical matters, contact the OCH Assets Team on telephone 8753 8273 or fax 8753 8295.

For maintenance standards expected in the community-housing sector, refer to:

8 Useful References

- Housing NSW Asset Standards, NSW Department of Housing.

If interested in condition assessments or providing houses for persons with a disability, relevant documents by the Australian Standards Association are:

- AS 4349.1-1995, Inspection of buildings – Property inspections – Residential Buildings, Standards Australia;
- AS 1428, Design Rules for Access by the Disabled, Standards Australia.

When developing policies and procedures for purchasing the services of maintenance contractors, a helpful guide is “Simple Procurement”, NSW Department of Commerce:

<http://www.dpws.nsw.gov.au/nr/rdonlyres/eslc54df3sehz7g7dkuhfrst4d55keosbb4opf3cemmkarrg476ytsymImsc5hfkq5dburzobdwyzk7fgsjuozgt5qd/simple+procurement+100403.pdf>

Acts of Parliament relevant to planning maintenance are:

- The Residential Tenancies Act 1987 and Residential Tenancies Regulation 1995;
- The Occupational Health and Safety Act 2000;
- Occupational Health and Safety Regulation 2001.

Useful websites are:

- | | |
|------------------------------|--|
| • Department of Fair Trading | www.fairtrading.nsw.gov.au |
| • Workcover | www.workcover.nsw.gov.au |
| • NSW Real Estate Institute | www.reinsw.com.au |

A Pre-Submission checklist for Housing Providers for Performance Management Assessment

Asset Maintenance Plan - Preparation

Attachment A – Sample Asset Maintenance Plan Checklist

Organisation Name _____
Checklist Completion Date _____ Prepared by _____

The Properties	YES	NO
1. Has a register of properties under management been provided?	<input type="checkbox"/>	<input type="checkbox"/>
Standards/Condition		
2. Has it been confirmed that these properties are maintained to Department of Housing Asset Standards?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has a property condition scope been used to determine property condition/maintenance liabilities?	<input type="checkbox"/>	<input type="checkbox"/>
3a. If yes to Q3, has a sample scoping form been attached?	<input type="checkbox"/>	<input type="checkbox"/>
3b. If yes to Q3, how often are the properties scoped?	<input type="checkbox"/>	<input type="checkbox"/>
Every: 1 year <input type="checkbox"/> 2 years <input type="checkbox"/> 3 years <input type="checkbox"/> 4 years <input type="checkbox"/> 5 years or > <input type="checkbox"/>		
Budgeting/Funds		
4. Has a budget allocation been included for each property for responsive repairs?	<input type="checkbox"/>	<input type="checkbox"/>
4a. If yes to Q.4, what is the annual per property allocation for responsive repairs?	<input type="checkbox"/>	<input type="checkbox"/>
5. Has a budget allocation been included for each property for planned/cyclical maintenance?	<input type="checkbox"/>	<input type="checkbox"/>
5a. If yes to Q.5, how have per property costs been calculated?		
By indicative schedule of rates/own local costs	<input type="checkbox"/>	<input type="checkbox"/>
From individual property inspections	<input type="checkbox"/>	<input type="checkbox"/>
5b. If another method has been used, please describe _____		
5c. If yes to Q.5 have per property costs been included for regular inspections?	<input type="checkbox"/>	<input type="checkbox"/>
E.g. Technical, Pest, Smoke Alarm inspections, etc?	<input type="checkbox"/>	<input type="checkbox"/>
6. Has a summary sheet been provided showing annual (for each year of plan) projected responsive & planned budgets against available funds?	<input type="checkbox"/>	<input type="checkbox"/>

7. Has it been shown that funds are available (or a future provision has been made), to meet the budget costs identified in the AMP? ☐ ☐

Delivery of the Plan

8. Has the method of delivering both planned and responsive maintenance been described clearly? ☐ ☐
9. Have the following performance indicators been recorded to measure the delivery of the AMP each year? ☐ ☐
- 9a. Actual average maintenance cost per property against average allowance
- As a % of replacement cost: Target 1.5% (OR) ☐ ☐
- Against per property average: Target \$2,200 ☐ ☐
- 9b. Actual expenditure to date against predicted expenditure (as %) Target +/- 15% ☐ ☐
- 9c. Number of projects exceeding planned completion time (as % of total) Target <10% ☐ ☐
- 9d. Project expenditure meeting budget: final cost vs budget estimate (as %) Target +/- 15% ☐ ☐

Include all properties for which the organisation has a maintenance responsibility.

Attachment B – Sample Property Register

Capital Properties

I.H.S. Ref No.	Unit no	Street no	Street	Suburb	Postcode	Type	Bed-rooms	Dwelling age (yrs)	Construction (brick, timber, fibro etc)/ high rise
-	-	5	Paul St	Jonesville	2221	cottage	3	1985	Timber
-	-	18	Noriega St	Jonesville	2221	cottage	4	1995	Fibro
4	4	24	Burke St	McQueen	2218	unit	2	1985	Brick Veneer
6	6	24	Burke St	McQueen	2218	unit	2	1985	Brick Veneer
7	7	24	Burke St	McQueen	2218	unit	2	1985	Brick Veneer
2	2	13	Rogers St	McQueen	2218	townhouse	3	1994	Brick Veneer
4	4	13	Rogers St	McQueen	2218	townhouse	3	2000	Brick Veneer
1	1	256	Gregan Rd	McQueen	2218	townhouse	3	1985	Brick Veneer

Headleased Properties (Long Term Lease)

I.H.S. Ref No.	Unit no	Street no	Street	Suburb	Post code	Type	Bed-rooms	Lease term /End date	Construction (brick, timber, fibro etc)/ high rise
1	1	32	Larkham St	Jonesville	2221	villa	2	15yrs/05/08	Brick Veneer
1	1	15	Sailor Ave	Jonesville	2221	villa	1	10yrs/05/08	Brick Veneer

Headleased Properties (Short term lease)

I.H.S. Ref No.	Unit no	Street no	Street	Suburb	Post code	Type	Bed-rooms	Lease term	Construction (brick, timber, fibro etc)/ high rise
	5	45	Tank Parade	Clayside	2324	unit	2	3yrs	Brick Veneer
	6	45	Tank Parade	Clayside	2324	unit	2	5yrs	Brick Veneer

Owned Properties

I.H.S. Ref No.	Unit no	Street no	Street	Suburb	Post code	Type	Bed-rooms	Lease term / End date	Construction (brick, timber, fibro etc)/ high rise
	3	45	Tank Parade	Clayside	2324	unit	2	3yrs	Brick Veneer
	4	45	Tank Parade	Clayside	2324	unit	2	5yrs	Brick Veneer

Non DoH Managed Capital Properties

I.H.S. Ref No.	Unit no	Street no	Street	Suburb	Post code	Type	Bed-rooms	Lease term / End date	Construction (brick, timber, fibro etc)/ high rise
	1	45	Tank Parade	Clayside	2324	unit	2	3yrs	Brick Veneer
	2	45	Tank Parade	Clayside	2324	unit	2	5yrs	Brick Veneer

Asbestos: No properties are exposed to asbestos contamination

Lead Paint: No properties are exposed to lead paint contamination

Note: In the organisation's Register, all capital properties must be shown in detail. However, in the copy provided to PMR, only the totals for owned properties and non-DoH managed properties need to be shown.

Attachment C – Indicative Costs and Life Cycles of Building Items

Indicative replacement times and costs for a typical cottage in Sydney are:

	Typical Cost (2002)	Local Cost	Life (years)
Interior			
Replace floor coverings (carpet)	\$40-\$50 psm \$450 per av room		10-20 (quicker in heavily used areas, eg entry)
Bathroom renovation	\$5,500-\$6,500		20- 30
Paint walls ceiling, 2 coats	\$300 per rm		8-15
Paint bathroom/laundry 2 coats	\$275		8-15
Paint full internal 2 coats (walls ceiling woodwork cupboards)	\$900 bedsit \$1,700-\$1,800 2 bed \$ 2,000-\$2,100 3 bed		8-15
Lead management fees (if built prior to 1970)	\$ 350 -\$400		
Kitchen (remove/supply new)	\$4,500-\$5,500		15-20
Kitchen sink (supply and install)	\$350-\$450		15-20
Kitchen range hood (remove/supply/install)	\$450		10-15
Kitchen range gas (remove/supply/install)	\$90-\$950		20-30
Laundry renovation	\$4,500		20-30
Laundry tubs (remove/replace)	\$450		25
Doors internal (replace)	\$180		25 (depends on use)
Doors external (relace)	\$360		20-30 (depends on use)
Doors heavy duty screen (replace)	\$425-\$475		15-20

	Typical Cost (2002)	Local Cost	Life (years)
Exterior:			
External paint (2 bed, FC)	\$1,550		6-10
aluminium windows	\$2,350		
timber windows			
External paint (2 bed, brick)	\$550		6-10
aluminium windows			
Paint timber windows (3 bed)	\$800		6-10 external
Replace gutters/downpipes	\$2,000-\$3,000		25
Fences (hardwood timber 1,500 mm)	\$1,500-\$2,000 per side		15-30
Replace driveway/tracks	\$800-\$2,400		50
Re-roofing (tile)	\$6,800-\$8,000		50
Clothes hoist (supply and install)	\$280 - \$325		15-20
Electrical Services			
Water heater 160 litre (relace internal)	\$880		10-15
Stove	\$850-\$950		15
Smoke alarm	\$150		5
Exhaust fan	\$85		5-10
Re-wire dwelling	\$3,000 - \$3,500		25-50
Plumbing Services:			
Taps – renew all washers per Dwelling	\$70		3
Taps – supply/install basin/sink set	\$100		15
Tempering valve with replacement of tank	\$300		with new tank installation
Thermostatic mixing vale – supply/install	\$700-\$750		
Cistern dual flush (supply/install)	\$380		20
Renew all toilet cistern parts	\$100		5

Notes:

1. Where a Project Manager is engaged, add a 15% to 20% margin.
2. Some areas are more expensive than Sydney Metropolitan. Typically allow an extra 10% for country areas and up to an extra 40% for far western towns.

Attachment D – Sample Asset Maintenance Plan

AARDVARK HOUSING ASSOCIATION: MAINTENANCE PLAN 2005-2025

Prepared: December 2004.

Endorsed by Board: 17 December 2004

Our Properties	The Aardvark Housing Association manages eight (8) capital dwellings and six (6) headleased dwellings in the inner southern suburbs of Sydney. The property details are listed in the attached Property Register.
Maintenance Standards	We have adopted the standards set out in the Housing NSW Asset Standards, Edition 3 (June 2002).
Future Maintenance Budgets	Budgets for the coming 20 years are shown in the attached spreadsheet. The budgets are shown annually for the first ten years and by periods of five years thereafter. The budgets are based on property inspections conducted September – November 2004 and tenant advice of issues.
Managing Projects	Minor projects will be organised by the Maintenance Officer. The assistance of (project manager/builder) will be sought for projects over \$2,000
Maintenance Provisions	The total funds required over the coming 10 years are \$161,720 and \$172,000 over the following ten years. \$16,000 will be set aside annually for the first five years to cover this expense. This commitment will be reviewed annually following the annual review of the Asset Maintenance Plan.

Performance Indicators

Issue	Indicator	Target	Actual last period
Are planned maintenance projects within budget?	Final cost/budget estimate for projects completed in period	+/- 15%	+ 4%
Is actual expenditure matching predicted?	Expenditure to date (including commitments) v predicted, (%)	+/- 15%	- 12%
Is our maintenance timely?	Number of projects exceeding specified time,	Less than 15%	33%
Is our expenditure appropriate?	1. Average annual allowance per capital property	\$2,250 min	\$1,610
	2. Average annual allowance as a % of replacement cost	1.5% min	1.43%

Plan Review Date

The Plan will be reviewed and updated in Dec 2005

Aardvark Housing Association – first 5-Year Maintenance Summary

Attachment E – Sample Asset Maintenance Summary

		Year 1 Item	Cost	Year 2 Item	Cost	Year 3 Item	Cost	Year 4 Item	Cost	Year 5 Item	Cost	Total
Capital Properties												
5 Paul St	Planned	Replace window screens	\$360			Paint exterior	\$3,000			Replace stove	\$650	\$3,960
	Respons		\$650		\$650		\$650		\$650			\$3,250
18 Noriega St	Planned	Recarpet lounge/dining	\$700	Replace rear fence	\$900			Lop tree	\$420	Paint exterior	\$1,900	\$3,920
	Planned	Install thermo mix valve	\$700					Replace clothes hoist	\$260	Replace gutters/downp's	\$2,200	\$3,160
	Planned	Repair front bal'std	\$800							Window repairs	\$600	\$1,400
	Respons		\$850		\$850		\$850		\$850		\$850	\$4,250
4/24 Burke St	Planned	Bathroom repairs	\$1,500					Renovate kitchen	\$2,800			\$4,300
	Respons		\$500		\$500		\$500		\$500		\$500	\$2,500
		Year 1		Year 2		Year 3		Year 4		Year 5		Total

		Item	Cost	Item	Cost	Item	Cost	Item	Cost	Item	Cost	
Capital Properties												
6/24 Burke St	Planned							Water heater	\$600	Reseal timber floors	\$1,800	\$2,400
	Respons		\$500		\$500		\$500		\$500		\$500	\$2,500
7/24 Burke St	Planned			Replace window screens	\$180			Paint kitchen/living	\$600			\$780
	Planned			Replace stove	\$600							\$600
	Respons		\$500		\$500		\$500		\$500		\$500	\$2,500
2/13 Rogers St	Planned	Reseal shower	\$650					Re-carpet 2,000				\$2,650
	Respons		\$550		\$550		\$550		\$550		\$550	\$2,750
4/13 Rogers St	Planned	Paint interior	\$1,800					Kitchen repairs	\$1,600			\$3,400
	Respons		\$550		\$550		\$550		\$550		\$550	\$2,750
1/256 Grogan St	Planned	Replace door	\$650			Recarpet lounge /dining rms	\$750			Water Heater	\$600	\$2,000
	Respons		\$700		\$700		\$700		\$700		\$700	\$3,500
		Year 1		Year 2		Year 3		Year 4		Year 5		Total

	Item	Cost	Item	Cost	Item	Cost	Item	Cost	Item	Cost
Lease Long Term										
Larkham St	Planned								Mid term renovation	\$2,400
	Respons	\$550		\$550		\$550		\$550		\$2,750
Sailor Ave	Planned								Mid term renovation	\$2,400
	Respons	\$450		\$450		\$450		\$450		\$2,250
Lease Short Term										
8/32 Flatley St					Exit repairs \$200 /cleaning					\$200
4/16 McKenzie St			Exit repairs \$200 /cleaning						Exit repairs/ \$200 cleaning	\$400
5/16 McKenzie St			Exit repairs \$200 /cleaning						Exit repairs/ \$200 cleaning	\$400
12/95 Herbert St			Exit repairs \$200 /cleaning						Exit repairs/ \$200 cleaning	\$400

Annual Expenses

Condition surveys	\$200	\$200	\$2,500	\$200	\$200	\$3,300
Test smoke detectors	\$340	\$340	\$340	\$340	\$340	\$1,700
Pest inspect/treat	\$520	\$520	\$520	\$520	\$520	\$2,600
PM fees	\$800	\$800	\$800	\$880	\$960	\$4,240

Summary

Total Planned	\$7,160	\$1,680	\$3,750	\$8,280	\$12,500	\$33,370
Total Responsive - Capital	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$29,000
Total Responsive - Leashold	\$0	\$600	\$200	\$200	\$400	\$1,400
Total Other Property Expenses	\$1,860	\$1,860	\$4,160	\$1,940	\$2,020	\$11,840
Total Cost	\$14,820	\$9,940	\$13,910	\$16,220	\$20,720	\$73,210
Allowance for Inflation ¹		3%	6.09%	9.27%	12.55%	
Total Cost after Inflation	\$14,820	\$10,238	\$14,757	\$17,724	\$23,321	\$80,860

Note: In the organisation's plan, all capital properties must be shown in detail. However, in the copy provided to PMR, only the totals for owned properties and non-DoH managed properties need to be shown.

¹The inflation factor is calculated on 3% compounded (you cannot simply add 3% on each year). Therefore you will need to compound the previous year's inflation factor and add this to the standard 3% inflation. Eg for Year 5: Step 1 - take 9.27% (the inflation factor for Year 4) and multiply by 3% = .28% (the compounding factor). Step 2: add 3% plus the compounded component calculated in Step 1 (.28) = 3.28% which is the additional inflationary factor for Year 5. Step 3: Add the additional inflationary factor for Year 5 (3.28%) to the Year 4 inflation factor of 9.27% = 12.55%. This 12.55% is the inflation factor for Year 5.

Attachment F – Property Inspection Sheets

Aardvark Housing Association – Property Inspection Sheet

Property Address _____ Survey Date _____

Inspector _____

Description: Cottage ☐ Villa ☐ Town-house ☐ Apartment ☐

Dwelling age (approx)_____ No of Bedrooms_____

Clean?
Undamaged
/working?

Comments –
Work Required/When?

External

Fences/gates/letterbox			
Driveway/paths			
Foundations			
Walls/cladding			
Security screen door front/rear			
Roofing (coverings, flashings etc)			
Gutters and downpipes			
Front porch/steps			
Rear porch/steps			
Verandah/balcony			
External painting			
Drainage			
Grounds/gardens			
Clothes line			
Garage/Carport			
Other			

Entry

Entry door			
Wall/ceiling paintwork			
Floor finishes			
Electrical (pp, lights)			
Other			
Lounge room			

Entry door

Wall/ceiling paintwork			
Windows/screens			
Floor finishes			
Electrical (pp, lights)			
Other			

	Clean?	Undamaged /working?	Comments – Work Required/When?
Dining			
Entry door			
Wall/ceiling paintwork			
Windows/screens			
Floor finishes			
Electrical (pp, lights)			
Other			
Kitchen			
Entry door			
Wall/ceiling paintwork			
Windows/screens			
Floor finishes			
Electrical (pp, lights)			
Bench top/cupboards			
Sink			
Taps			
Stove			
Range hood/exhaust fan			
Other			
Bathroom			
Entry door			
Wall/ceiling paintwork			
Window			
Window screen			
Floor finishes			
Electrical (pp, lights)			
Vanity/Basin			
Cupboard/shelves			
Taps			
Shower			
Bath			
Toilet			
Exhaust fan			
Other			
Separate WC			
Entry door			
Wall/ceiling paintwork			
Window			
Window screen			
Floor finishes			
Electrical (pp, lights)			
Toilet			
Basin/taps			

	Clean?	Undamaged /working?	Comments – Work Required/When?
Laundry			
Entry door			
Wall/ceiling paintwork			
Window			
Window screen			
Floor finishes			
Electrical (pp, lights)			
Tub			
Taps			
Toilet - Laundry			
Shower - Laundry			
Other			
Bedroom 1			
Entry door			
Wall/ceiling paintwork			
Window/screens			
Floor finishes			
Electrical (pp, lights)			
Built-in Wardrobe			
Other			
Bedroom 2			
Entry door			
Wall/ceiling paintwork			
Window/screens			
Floor finishes			
Electrical (pp, lights)			
Built-in Wardrobe			
Other			
Bedroom 3			
Entry door			
Wall/ceiling paintwork			
Window/screens			
Floor finishes			
Electrical (pp, lights)			
Built-in Wardrobe			
Other			
Bedroom 4			
Entry door			
Wall/ceiling paintwork			
Window			
Window screen			
Floor finishes			
Electrical (pp, lights)			
Built-in Wardrobe			

	Clean?	Undamaged /working?	Comments – Work Required/When?
Other			
Other room			
Entry door			
Wall/ceiling paintwork			
Window/screens			
Floor finishes			
Electrical (pp, lights)			
Other			
Services			
External electrical wiring/meter-box			
Internal electrical wiring			
Water heater			
Water heater tempering valve			
Thermostatic mixing valve			
Smoke alarm #1			
Smoke alarm #2			
Gas supply – natural/bottles			
Sewer – town/septic/pump-out			
Other			

Comments? (eg timber/other pests, subsidence/movement, dampness, safety etc)

Building Hazards:
In properties built before 1987, asbestos products may be present (for example, flat and corrugated fibro sheeting; water and flue pipes; roofing shingles and guttering). List below any suspected presence and the condition of the products.

In properties built before 1970, lead contamination related to lead paint and lead-contaminated dust and soil may be present. Identify the presence of potential sources and the condition of any lead based paint.

Attachment G – Building Hazards

Lead Paint

Lead is toxic. As responsible landlords, housing organisations are expected to take reasonable actions to minimise exposure to lead paint in houses.

Hazards associated with lead can be considered to arise from deteriorating lead contaminated paint or lead paint present on accessible, friction or impact surfaces; from lead contaminated dust; and from bare lead contaminated soil. As a matter of policy, you should:

- Assume that all dwellings constructed prior to 1970 are potentially affected by lead paint contamination, until confirmed otherwise;
- Identify any properties that may be at a higher risk of contamination. This should be recorded as part of condition surveys;
- Program for repainting any properties where potential lead hazards are identified;
- Use and monitor lead-safe paint practices for employees, agents and service organisations in accordance with Australian Standards;
- Allow only qualified lead-safe tradespeople to undertake work such as painting at properties where a lead hazard may be present;
- Allow tenant painting in properties constructed prior to 1970 only where existing paintwork is in good condition;
- Act immediately regarding properties where young children are part of the household and the lead is in a form that may be ingested by the children.

Remediation usually involves over-painting with lead-free paint. This is the most economical short-to-medium-term solution and avoids the substantial hazard associated with lead paint removal if undertaken incorrectly. Where high lead levels in soil result from deteriorated paint, remediation may extend to soil removal and replacement. Where high lead levels in dust are confirmed, remediation may involve removal of dust from ceilings and similar spaces.

Asbestos

Asbestos fibres can cause asbestosis, lung cancer and mesothelioma. In houses it is mainly present in fibro products made before 1987 (flat and corrugated fibro sheeting; water and flue pipes; roofing shingles and guttering). In NSW, the use of asbestos was discontinued in fibro sheets in 1982, in corrugated sheets in 1984 and in all other products in 1986.

It does not automatically follow that health is at risk if fibro products are present. Studies show that these products, if left undisturbed, are not a significant health risk provided the material is in reasonable condition. If the asbestos fibres remain bound in a solid cement matrix, generally, the product does not need to be removed or coated.

Health problems usually occur when people are unaware of the hazards of working with asbestos products. For information on working with asbestos cement products, contact the Workcover Information Centre on 131050. For advice on disposal of asbestos products, contact the NSW EPA on 02 9795 5000 or your local council. For details of licensed asbestos removal contractors, call your local council.

Firewalls

Building surveys of joined dwellings (townhouses, villas etc) must check ceiling spaces to ensure that firewalls meeting the Building Code of Australia requirements are carried through completely to the underside of the roof covering, to separate the individual dwellings from the remainder of the building in case of fire. If in doubt, seek specialist advice.