Community Housing and Crisis Accommodation Programs - Maintenance Obligations

Information for Funded Providers

Maintenance obligations

Funding agreements between the Department of Housing and Public Works (the department) and the funded provider (the provider) outline the requirements of both parties to the agreement, including obligations for maintenance, repair and provider works.

This fact sheet provides general information about obligations for maintenance, repair and provider works for department-owned and non-department owned social housing properties. As funding agreements vary, providers should always refer to their specific funding agreements for the property to determine maintenance responsibilities¹.

Department-owned properties: lease agreement

Clause 7 Maintenance, Repair and Provider's Works details provider and department obligations to the property.

Provider obligations

Providers are responsible for carrying out all the following work² on all department-owned properties managed by their organisation:

- statutory requirements except to the extent they require structural works to be undertaken
- provider maintenance obligations
- vacant maintenance
- responsive maintenance
- planned maintenance.

The provider must also at its cost inspect the property on a regular basis, keep the property in good condition and repair and comply with the requirements of authorities and all laws in connection with its use of the services as defined in the lease agreement (gas, electricity, water etc).

Providers must not carry out any upgrades, as detailed in Annexure 1 of the standard lease agreement, to the property without the department's prior approval.

² Annexure 1 of the standard lease agreement details the different types of maintenance listed below.



¹ Where inconsistencies between the information in this fact sheet and the funding agreement exists, the funding agreement will prevail.

Providers are responsible for communal electricity and/or gas connections in multi-unit complexes (ie, for communal lighting, lifts, fire alarms, communal rooms, communal hot water etc). The provider must establish accounts with an energy supplier of their choice and ensure the energy supply is maintained.

To meet their maintenance obligations, providers can use funding (including rental receipts) from the property's designated program in accordance with the Allowable Expenditure Policy.

If the department undertakes works on a property determined to be the provider's responsibility, the department will seek reimbursement from the provider in line with their obligations to meet the cost of specific repairs or maintenance under the lease agreement.

Department obligations

The department is responsible for carrying out:

- structural works required as a result of statutory requirements
- all upgrades which the department considers necessary (in its absolute discretion)
- any work (including structural work) necessary to ensure the property (including lifts) and fire
 safety equipment are maintained in a safe condition and in good and substantial repair,
 except where other clauses in the lease agreement require the provider to be responsible for
 the maintenance and repair.

The department will also undertake three-yearly condition appraisals on all department-owned properties leased to providers. Providers can access the property condition data held by the department by contacting their Contract Officer.

Maintenance exemptions

Providers may be approved an exemption from some of their maintenance obligations under the standard lease agreement for department-owned Crisis Accommodation Program (CAP) properties. This is referred to as a maintenance exemption.

Maintenance exemptions are assessed and approved on the grounds of financial hardship.

Maintenance exemptions will not be granted where department approval has been given to a provider to cross-subsidise from other housing program surpluses to meet costs related to their maintenance obligations for CAP properties.

If approved, the maintenance exemption applies to:

- all department-owned CAP properties the provider manages at the time of approval
- any additional department-owned CAP properties leased to the provider after approval.

The approved maintenance exemption does not apply to:

- non-department-owned CAP properties
- any other department-owned or non-department-owned properties under housing programs other than CAP.

Providers with an approved maintenance exemption can contact Building and Asset Services or the Call Centre for the department to undertake the following on department-owned CAP properties:

- responsive maintenance
- planned maintenance
- some statutory maintenance requirements. Providers should contact their local Housing Service Centre for details of the statutory maintenance the department undertakes.

Providers with an approved maintenance exemption are still responsible for carrying out all other works, repairs and maintenance stated in the standard lease agreement. During the approved exemption period, the department expects the provider will work toward being able to meet their maintenance obligations for department-owned CAP properties.

Non-department-owned properties: Capital Assistance or Funding Agreements

Providers are responsible for all maintenance and upgrade works on social housing properties funded under a capital assistance or capital funding agreement. Similarly, as for department-owned-properties, providers can use funding (including rental receipts) from the property's designated program, to meet their maintenance obligations, in accordance with the <u>Allowable Expenditure Policy</u>.

All social housing properties: Social Housing Program Specification

S4 Standard

Section 4.3 Asset Management of the <u>Social Housing Program Specifications</u> includes a performance indicator the provider must meet – 95 percent of funded department-owned properties inspected meet the S4 rating as specified in the Queensland Government Maintenance Management Framework (QGMMF) unless otherwise exempted by the department³.

The QGMFF S4 rating specifies the standard of the property as "Building to be in good condition operationally and aesthetically, benchmarked against industry standards for that class of asset". The QGMFF is available on the Queensland Government website.

Where can I get more information?

A range of further related resources, including reporting details of maintenance undertaken, are available on the <u>Community Housing Providers</u> page of the department's website. Providers are encouraged to contact their Contract Officer should they have any further queries.

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³ An approved maintenance exemption does not make the provider exempt from meeting the performance indicator in 4.3 Asset Management of the Social Housing Program Specification.

Region	Phone	Email
Brisbane	(07) 3007 4386	HHSBRORD@hpw.qld.gov.au
Central Queensland/North Coast	(07) 4848 7060	HHS-SD-CQNCR-ORD@hpw.qld.gov.au
Northern Queensland	(07) 4724 8578	HHS-NR-ORD@hpw.qld.gov.au
South/West Queensland	(07) 3437 6044	HHSSWRORD@hpw.qld.gov.au