



Annual Work Program

2023 – 2024

2023 – 2024



Aboriginal acknowledgement

Cladding Safety Victoria respectfully acknowledges the Traditional Owners and custodians of the land and water upon which we rely. We pay our respects to their Elders past, present and emerging. We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life. We embrace the spirit of reconciliation, working towards equality of outcomes and an equal voice.

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List of contents

Message from the Chief Executive Officer	02
Introduction	04
Strategic Context	05
Strategic Plan	05
Outcome 1: CSV actions are undertaken safely and improve the safety of buildings within the scope of the program	07
Outcome Indicator and Measure	07
Outputs	08
Output Measures	09
Strategic Initiative	10
Outcome 2: Owners corporations of buildings referred to CSV are provided with information and support to address the cladding risk for their building	11
Outcome Indicator and Measure	11
Outputs	12
Output Measures	13
Strategic Initiative	13
Outcome 3: Robust financial and resource management optimises the value of CSV's delivery outcomes	14
Outcome Indicators and Measures	14
Outputs	15
Output Measures	16
Strategic Initiatives	17
Reporting	18

Message from the Chief Executive Officer



Cladding Safety Victoria heads into the 2023–24 year in a strong position, delivering what has always been our key objective: making Victorians safer from the risk of combustible cladding.

With works already complete on 250 residential buildings, CSV has already made more than 23,000 people in more than 12,000 individual homes in 84 suburbs across Victoria safer from combustible cladding. On top of this, an additional 90 residential buildings are in various other stages of works underway, with most of these works to be completed throughout 2023–24.

In total, more than two-thirds of the 828 buildings referred to CSV have a solution in place, with 365 buildings approved for funding for cladding rectification and CSV's investigations finding an additional 270 buildings to date not requiring cladding rectification or being out of scope. These buildings may already have had cladding removed, or the cladding may be of a non-combustible or low risk type, or the building may be out of scope because it is not a Class 2 building. Where this has occurred, CSV has formally notified the owners that the building is discharged from CSV's program.

CSV is committed to providing clear pathways for all buildings referred to it, whether they are deemed eligible for funding or not. These pathways are determined by a comprehensive assessment of the degree of risk presented by the amount and type of cladding on each building. Full cladding removal is not required in all circumstances to reduce risk to an acceptable level and an important function for CSV is to provide information, advice and support to all owners corporations about the most appropriate solution for their building.

From the beginning of our world-first program, engagement with owners of both buildings eligible for funding and buildings not eligible for funding has been at the core of CSV's success and this will continue to be central to our work program over the next 12 months.

In addition to the direct engagement with owners provided by CSV, each building funded through our program is allocated an Independent Project Manager, providing owners with direct access to an expert manager from the early design stage, during construction works and through the post-rectification process. Meanwhile, our continued strong investment in the Clerk of Works program is driving our unwavering commitment to safety and quality and continues to be a major focus for CSV.

Rectification work is complex and highly specialised and we are proud of how investing in our engagement, project management and safety programs has driven positive outcomes for the safety of building residents in Victoria.

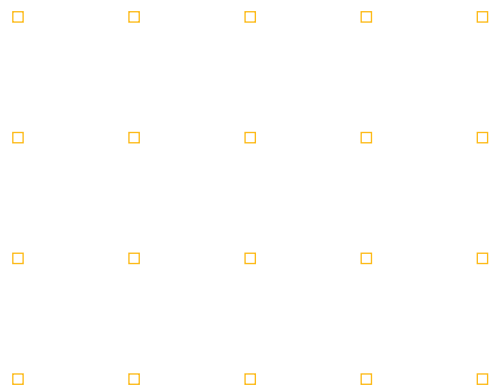
Work has also progressed at rapid pace over the last 12 months to address higher-risk cladding on government-owned buildings, with 115 of the 130 buildings in scope already rectified. The remaining 15 buildings are at various stages of construction and pre-construction stages and all of the 130 government-owned buildings will be completed by the end of 2023.

Underpinning both programs are the processes and controls that work to build and sustain a high level of organisational performance. We are continually striving to improve the operational practices that provide a strong foundation for the achievement of our objectives. This is realised through benchmarking against better-practice organisations, sound oversight and the external review of our processes by independent bodies. This forms the third and final outcome measure of our plan for the 2023–24 year outlined in this document.

In the year ahead, we will build on the momentum we’ve created in both the residential and government-owned buildings programs to date, continuing to deliver on safety for Victorians.

We have achieved much to date – and continue to have ambitious targets for the upcoming 2023–24 year. Collectively we are dealing with the issue of combustible cladding making Victorians safer in the community and in their own homes.

Dan O'Brien
Chief Executive Officer
Cladding Safety Victoria



Introduction

The object of our organisation, as stated in the *Cladding Safety Victoria Act 2020* (Vic) (the Act), is to support Victorians to rectify non-compliant or non-conforming external wall cladding products on buildings to improve the safety of those buildings.

Under CSV's legislation, the organisation has a clear remit to administer the rectification program through prioritising buildings, determining eligibility for assistance, and supporting owners corporations and government departments throughout the process and monitoring works.

The annual work program outlines the projects, initiatives and performance targets which are in place to deliver the organisation's strategic plan.

The strategic plan, which is endorsed by the Cladding Safety Victoria Board and approved by the Minister for Planning, specifies how the organisation will deliver the objective of the organisation as specified by the Act and the Ministerial Statement of Expectations.

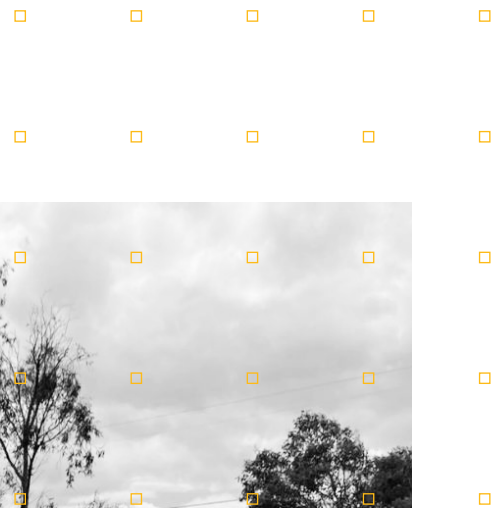


Image: Staff visit one of Cladding Safety Victoria's funded building projects

Strategic Context

This is the third annual work program to be delivered under the 2021–25 CSV Strategic Plan. The annual work program provides a one-year view of the projects, initiatives and performance targets to be delivered under the strategic plan and forms the basis for formal reporting to the CSV Board and to the public through CSV's annual report.

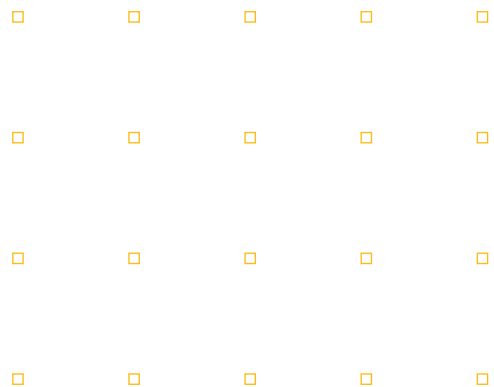
Strategic Plan

The structure of the strategic plan reflects the Victorian Government Outcomes Framework. The diagram below outlines the elements of the strategic plan and their purpose.



A high-level overview of the strategic plan is provided below. Details of the indicators, measures, outputs and strategic initiatives that sit beneath each outcome are presented in the following sections.

Vision	Making the community safer by reducing combustible cladding risk		
Mission	We will improve the safety of buildings impacted by cladding issues by working in partnership with industry, government partners and the community		
Outcomes	CSV actions are undertaken safely and improve the safety of buildings within the scope of the program	Owners corporations of buildings referred to CSV are provided with information and support to address the cladding risk for their building	Robust financial and resource management optimises the value of CSV's delivery outcomes
Enablers	CSV's key supporting functions and processes, including risk management, systems and record keeping, communications management, assurance, compliance and contract management, underpin successful delivery of the vision, mission and outcomes		



OUTCOME 1:

CSV actions are undertaken safely and improve the safety of buildings within the scope of the program

Following the completion of the government rectification program in 2023, the focus of CSV's rectification program is to efficiently reduce the risks associated with combustible cladding on residential properties, thereby protecting occupants and building assets from the serious impacts of fire that can spread through building cladding. CSV works intensively with owners corporations to develop high-quality and cost-effective solutions that effectively address cladding risk for buildings that are eligible for the rectification program and ensure these are implemented to the highest safety standards.

Outcome Indicator and Measure

Our progress towards achieving this outcome will be measured through the following outcome indicator and measure.

Outcome Indicator	Timely rectification of buildings prioritised on a risk basis				
Outcome Measure	Percentage total risk reduction realised from the rectification of buildings with a risk rating of 'unacceptable'				
2023–24 Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	50%	60%	70%	80%	80%

Outputs

Residential rectification program

CSV works closely with owners corporations to deliver cladding works for residential buildings, which are prioritised through a risk framework for inclusion in the rectification program.

CSV's oversight of the program ensures that:

- project management processes protect the safety of staff, residents, contractors and the community
- rectification is achieved within agreed timeframes with minimal disruption to residents
- each project is delivered within the forecast budget
- prioritisation is dynamic, based on up-to-date knowledge of risks, construction costs, funding and the overall building portfolio
- projects are delivered to high quality standards that ensure the mitigation of cladding risk to an acceptable level
- value-for-money outcomes maximise the impact of the state's investment.

CSV also works collaboratively with the Victorian Building Authority and other practitioners to develop joint processes and appropriate information sharing that support efficient delivery of the program and a seamless experience for participating owners corporations.

What will we deliver in 2023-24?

Consistent focus on the timely rectification of higher risk buildings led to CSV passing the half-way mark for the residential rectification program in 2022-23. By the end of 2023-24, works complete on

unacceptable-risk buildings will result in improved safety for the occupants of more than 17,000 sole-occupancy units. CSV will also focus on further embedding quality assurance processes and site safety oversight, which are delivered through the assignment of dedicated clerks of works to each rectification project and regular inspections by CSV staff.

Residential program engagement model

Effective engagement with owners corporations, owners and residents is essential for the successful delivery of the residential rectification program, as it creates the foundation on which CSV can establish collaborative working relationships between all of the program participants. CSV puts these stakeholders at the heart of its program, consulting in a transparent and empathetic way throughout the rectification process. Engagement is based on active case management to ensure each owners corporation is provided with all of the currently available information, advice and support.

What will we deliver in 2023-24?

CSV will continue to meet with owners corporations to ensure that they are supported through the rectification process, and in particular through the key project phases. Targeted quarterly communications also include letters regarding fire safety and ESMs addressed to all owners corporations with information to be passed on to residents. Fire safety postcards for residents are also dropped into the letterbox of every apartment within the program on an annual basis.

Output Measures

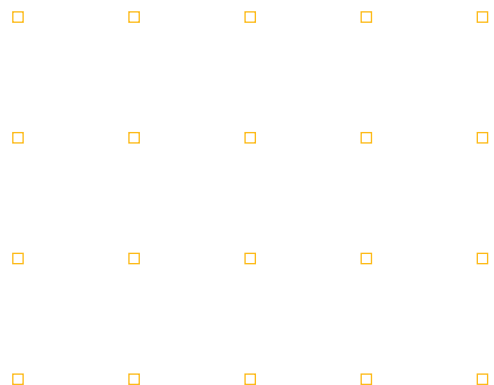
The effectiveness of our delivery will be monitored through the following measures.

Output Measure	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target	Total
Number of buildings within the residential program that reach works completed	25	25	25	25	100
Lost-time injury frequency rate*	<6.5	<6.5	<6.5	<6.5	<6.5
Percentage of at-site incident reports submitted within mandated timelines	100%	100%	100%	100%	100%
Number of new jobs supported through the rectification program**	640	N/A	640	N/A	640
Variance between actual and forecast cost for the residential program	≤+/-10%	≤+/-10%	≤+/-10%	≤+/-10%	≤+/-10%
Satisfaction rating for participating owners corporations***	N/A	≥80%	N/A	N/A	≥80%
Number of close-out engagements with owners corporations	25	25	25	30	105

* This measure is tracked against the Safe Work Australia industry benchmark

** This is a biannual measure

*** This is an annual measure



Strategic Initiative

Contribution to the development of new legislation, regulations and standards relating to cladding and building reform

Through the delivery of its programs and extensive engagement with industry and community stakeholders, CSV has developed a deep understanding of cladding-related issues and significant expertise in establishing practical solutions to the risks posed by combustible cladding and in identifying non-cladding building defects that are outside of CSV's legislative scope, but nevertheless are required to be brought to the attention of the government. In working collaboratively with the bodies who are responsible for reviewing Victoria's building regulatory framework by sharing information and

contributing to government submissions and reports, CSV can act as an agent of change and a positive contributor to the long-term reform strategy for the construction industry.

What will we deliver in 2023-24?

CSV will document lessons learned through the delivery of the rectification program and share key insights with Victorian Government stakeholders, as well as interstate governments that are grappling with similar issues and have indicated a desire to learn from our work. CSV will also continue to provide feedback on the government's strategic policy reforms and work collegiately to identify opportunities to make legislative improvements.



Image: One of Cladding Safety Victoria's funded building projects

OUTCOME 2:

Owners corporations of buildings referred to CSV are provided with information and support to address the cladding risk for their building

CSV is committed to providing clear pathways for all buildings referred to it, whether they are deemed eligible for funding or not. These pathways are determined by a comprehensive assessment of the degree of risk presented by the amount and type of cladding on each building. Cladding removal is not required in all circumstances to reduce risk to an acceptable level and CSV provides information, advice and support to all owners corporations about the most appropriate solution for their building.

Outcome Indicator and Measure

Our progress towards achieving this outcome will be measured through the following outcome indicator and measure.

Outcome Indicator	Defined pathways are in place for all buildings referred to CSV				
Outcome Measure	Number of referred buildings with lower combustible cladding risk or not eligible for funding with an agreed pathway				
2023–24 Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	62	69	64	80	275

Outputs

Technical Advisory Service

CSV engages with a number of technical experts, including engineers, building surveyors, architects and fire safety advisers. These experts are able to assess cladding risk against identified parameters and work with owners corporations, local councils and Municipal Building Surveyors (MBSs) to determine solutions for mitigating risk to acceptable levels.

What will we deliver in 2023-24?

CSV's technical experts will assess each building that is determined to be ineligible for funding in the rectification program, but that has a level of combustible cladding risk that needs to be mitigated. These assessments will determine options for the reduction of cladding risk and will be developed in consultation with Municipal Building Surveyors to ensure that risk reduction solutions, once implemented by owners corporations, will address cladding-related issues that are the subject of enforcement notices.

Stakeholder engagement program

CSV implements the most appropriate engagement approach for all buildings referred to it, based on their status in the program at any given stage and in recognition that buildings are dealt with based on their level of assessed risk. To this end, CSV ensures that each owners corporation that is not allocated funding for cladding rectification is supported, whether they are provided non-financial advice and guidance, or discharged from the program due to ineligibility.

What will we deliver in 2023-24?

Where buildings are not allocated funding through the rectification program, CSV will engage with owners corporations following an assessment of their building and agreement with the MBS on a solution. CSV will then provide the owners corporation with support and guidance on how to implement the solution.

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Output Measures

The effectiveness of our delivery will be monitored through the following measures.

Output Measure	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target	Total
Percentage of queries about cladding and the rectification program responded to within 72 hours	100%	100%	100%	100%	100%
Percentage of targeted buildings that have been provided with a cladding risk solution within 10 working days of agreement with the MBS	≥90%	≥90%	≥90%	≥90%	≥90%
Percentage of impacted councils that CSV meets with per month	≥90%	≥90%	≥90%	≥90%	≥90%

Strategic Initiative

Development of an evidence base to demonstrate the reduction in risk to the built environment as a result of addressing cladding issues

CSV is continually collecting data to support the development of robust and objective methodologies to enhance the efficiency of the delivery of the rectification program and to evaluate the effectiveness of program outcomes. This evidence base ensures that CSV is achieving its stated objectives of reducing combustible cladding risk and improving the safety of buildings, and can also be used to inform the community of the success of the government's risk reduction interventions. Beyond the lifespan of CSV's program, it may further be used by government in the broader consideration of built environment risk and the design of future programs. This process will be an integral part of CSV's approach to continuous improvement as the database grows and feedback from owners

corporations and other stakeholders will help refine and improve CSV's processes and rectification strategies/methodologies.

What will we deliver in 2023–24?

CSV, in association with CSIRO Data61, will continue to refine the operational parameters of the protocols for mitigating cladding risk (PMCR). These risk-based protocols enable CSV to collate and capture the required datasets that are critical to the application of a risk co-efficient for each building's intervention and to determine the aggregate likelihood and consequence reduction through the targeted building activities. An associated Municipal Building Surveyor-directed toolset – the Cladding Solutions Analysis Tool – is also being developed. This will comprise PMCR workings, costed benchmarks for the low-cost solutions and 3D visualisations of the current and future state of every in-scope building.

OUTCOME 3:

Robust financial and resource management optimises the value of CSV's delivery outcomes

CSV's success is underpinned by the processes and controls that work to build and sustain a high level of organisational performance through effective resource management, comprehensive risk and safety systems, and strong financial governance. CSV is continually striving to improve the operational practices that provide a strong foundation for the achievement of its objectives. This is realised through benchmarking against better-practice organisations, sound oversight and the external review of our processes by independent bodies.

Outcome Indicators and Measures

Our progress towards achieving this outcome will be measured through the following outcome indicator and measures.

Outcome Indicator	Enhance the effectiveness of CSV's financial, risk and resource planning and systems				
Outcome Measure	Variance between actual and budgeted cost for CSV's overall budget				
2023-24 Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	≤+/-10%	≤+/-10%	≤+/-10%	≤+/-10%	≤+/-10%
Outcome Measure	Internal CSV operating costs as a percentage of overall costs				
2023-24 Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	<15%	<15%	<15%	<15%	<15%
Outcome Measure	Percentage of extreme and high risks managed within tolerance levels				
2023-24 Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
	≥85%	≥85%	≥85%	≥85%	≥85%

Outputs

Financial control systems

A robust financial control system ensures that public resources are being used efficiently and that financial risks, including fraud, are being appropriately managed. It also ensures that CSV is meeting its compliance obligations relating to financial management. CSV is committed to the maintenance of a strong control environment that is underpinned by effective financial information and reporting systems.

What will we deliver in 2023–24?

CSV will upgrade its financial information processes and reporting capability to produce real-time dashboards which provide live data analytics for improved decision-making and financial management. Opportunities for system improvements through process automation will also be explored to enhance budget building, cashflow management and payment processing.

People and capability

A positive workplace culture that attracts and retains talent, drives engagement, enhances staff satisfaction and work performance is a critical enabler for the delivery of CSV's strategic objectives. CSV is committed to continual improvement of the systems and frameworks that foster a dynamic, supportive and high-performance workplace environment. This includes providing collaborative and consultative processes to monitor and enhance staff engagement.

What will we deliver in 2023–24?

CSV's People and Culture Strategy will be reviewed and updated to ensure that it continues to deliver on workplace flexibility, capability growth and employee engagement. The next stage of the Learning and Development Strategy will be rolled out, with a focus on building and growing workplace diversity and leadership. The first progress report will be submitted to the Commission for Gender Equality in the Public Sector tracking progress against CSV's Gender Equality Action Plan and any subsequent recommendations implemented.

Business solutions

The innovative approaches being established by CSV for the mitigation of combustible cladding risk require sophisticated data modelling and robust program management tools that support the development of optimal cladding solutions for the community. Tailored systems and database applications that provide effective management of data and program information are essential for the efficient delivery of CSV's key initiatives.

What will we deliver in 2023–24?

A review will be undertaken of CSV's existing core systems against emerging business needs and a robust gap analysis performed. New functionality, applications and toolkits will be developed to support CSV's strategic projects and to enable CSV to deliver streamlined services in partnership with program stakeholders.

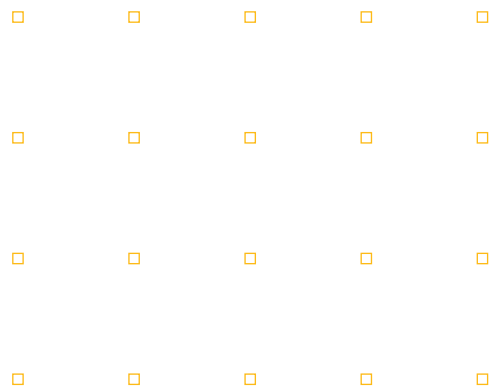
Output Measures

The effectiveness of our delivery will be monitored through the following measures.

Output Measure	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target	Total
Organisational culture and staff engagement rating [^]	N/A	>63% *	N/A	N/A	>63%
Percentage of safety corrective actions completed within agreed timeframes	100%	100%	100%	100%	100%
Percentage completion of mandatory compliance training modules	≥95%	≥95%	≥95%	≥95%	≥95%
Percentage of program reporting delivered within agreed timeframes	≥95%	≥95%	≥95%	≥95%	≥95%
Percentage compliance with mandatory financial management requirements [^]	N/A	≥90%	N/A	N/A	≥90%
Percentage of risk treatment actions completed within agreed timeframes	≥85%	≥85%	≥85%	≥85%	≥85%

[^] This is an annual measure

* Represents the public sector average for similar organisations for 2022–23



Strategic Initiatives

Continuous improvement to program governance and quality assurance processes

Successful delivery of the rectification and pathways programs is underpinned by governance and reporting frameworks that ensure the consistent and effective implementation of CSV's strategic goals. Just as critical is safeguarding the integrity of the decision-making processes that require multiple stakeholders to collaborate on the development and authorisation of initiatives that will deliver best-value outcomes for the community.

What will we deliver in 2023–24?

CSV will undertake a review of all governance structures to ensure its decision-making processes and arrangements effectively support future initiatives. This will include consideration of the provisions that need to be established between all parties to deliver the most efficient delivery model. In association with this, a reporting framework will be established to facilitate streamlined sharing of data and timely performance monitoring.

Exploration of commercial opportunities to continue to drive value-for-money outcomes

Critical to the achievement of quality and value-for-money outcomes through the rectification program is the application of effective commercial principles to CSV's delivery approach. CSV is committed to further developing its internal commercial capability by building additional construction industry expertise and methodologies into its contracting, risk management and issue resolution processes.

What will we deliver in 2023–24?

CSV will drive better commercial outcomes through ongoing oversight of variations and forecasting advice, further development of cost modelling for cladding rectification and effective pre-contract award management, to ensure the state continues to receive value for money. Continuous improvement initiatives that will support future CSV activities include exploring opportunities to cooperate with owners corporations to conduct aggregated procurement activities and assessing options to streamline the contribution of third-party consultants and other providers in order to drive cost efficiencies.

Reporting

CSV regularly reviews its progress towards the delivery of agreed objectives to ensure that projects and initiatives are on track, key risks to outcomes are assessed and any critical issues are addressed in a timely manner.

Formal reporting is undertaken in relation to the projects, initiatives and targets outlined in the annual work program, which are aligned with the strategic plan

outcomes. Quarterly progress reports are provided to the CSV Board and public reporting of achievements and challenges occurs annually through CSV's annual report.

CSV also provides regular program and operational reports to DTP, as well as progress reports against the Ministerial Statement of Expectations to the Minister for Planning.



Image: One of Cladding Safety Victoria's funded building projects

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