



Strategic Plan

2021-25

Revised June 2023



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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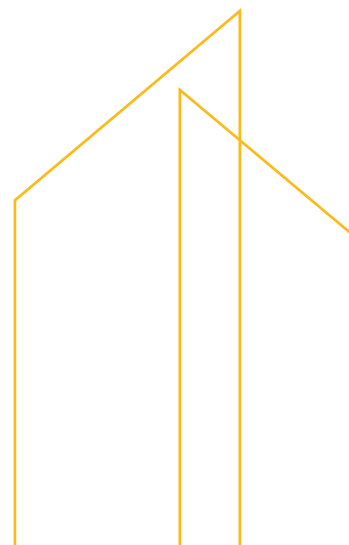
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Message from the Board Chair

Victoria’s cladding rectification program is ambitious. Its purpose is to improve the safety of the built environment by directly addressing fire risks associated with non-compliant cladding on public and defined types of private residential buildings.



Cladding Safety Victoria (CSV) has been established as a statutory authority, effective from 1 December 2020, to deliver the Cladding Rectification Program (CRP). In so doing, the government appointed a Board to oversee the CRP and the performance of CSV in executing the program.

The role and responsibilities of the Board are defined as part of the *Cladding Safety Victoria Act 2020* (Vic).

Board members have been selected to form a team that has broad experience and knowledge across the building and development industry and its regulation, public engagement and communications, risk management, public administration and governance, financial management, strategic planning and legal practice.

The central role of the Board is to ensure rigorous governance processes are employed, including stringent performance reporting, compliance with legislative obligations and government requirements, such as the Victorian Government Risk Management Framework, and conflict of interest disclosures.

To assist the Board with its governance responsibilities, a Finance and Audit Committee and a Risk Committee have been established, to provide focussed attention to the complex and intertwined commercial, regulatory and stakeholder management issues entailed in the conduct of the rectification program.

On behalf of the Board, I am pleased to endorse this Strategic Plan, which has been designed to cover the expected lifespan of CSV.

This endorsement is subject to annual work programs and budgeting to be completed and reviewed by the Board as required throughout the life of the program.

All elements of the plan and the related annual work program will be delivered within agreed funding parameters.

If issues emerge that have the potential to go beyond the purview and tenure of CSV, collaborative arrangements with the Department of Transport and Planning (DTP), the Victorian Building Authority (VBA) and other stakeholders will provide a framework for such matters to be assessed in the longer term and as determined by the government.

The Board acknowledges the excellent work already undertaken by CSV in designing and refining the processes necessary to successfully carry out rectification works and scale up activity to ensure 200 buildings are admitted to the CRP and underway by mid-2021.

It is the Board's view that the quality of the leadership provided by the CSV team and the engagement and goodwill being demonstrated by DTP, VBA and other stakeholders augers well for the achievement of the government's objective of reducing the risks associated with flammable cladding in Victoria.



Rod Fehring
Board Chairperson
Cladding Safety Victoria

Message from the Chief Executive Officer

CSV's program is designed to keep people safe by reducing combustible cladding risks.

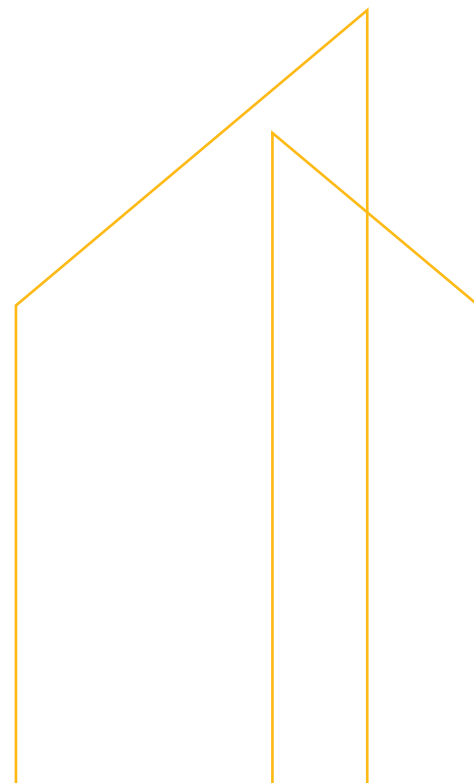


This strategic plan, implemented from the beginning of our first year as a fully formed statutory authority, underpins our commitment to working at pace to make people safer, sooner.

The initiatives and benchmarks outlined in this plan are both ambitious and achievable. More detail about our projects and performance targets can be found in our annual work program, which provides an in-depth view of our deliverables.

An important part of our progress to date and going forward lies in our ability to refine and adopt our processes as we learn more about the best way to retrospectively fix the buildings in our program.

Recognising the many complexities associated with reducing cladding risks on privately-owned buildings, we are committed to continuously improving our methods and processes based on experience and lessons learned throughout the life of the program.



Our teams strive to build strong relationships with owners corporations, building industry practitioners, and working with key government agencies.

Supporting owners corporations is a priority and we also endeavour to give advice and guidance to help owners corporations that may not be eligible for funding to remove cladding.

We continue to inform our industry stakeholders regarding the program's progress, recognising the need to keep those with a vested interest in our program abreast of how it is evolving.

We deliver our governance and compliance obligations through robust reporting mechanisms, prudent financial management practices and a comprehensive customer management relationship database as part of discharging our obligations to the public on behalf of government.

In building our team, we have fostered a positive and enthusiastic culture and strong sense of purpose in our people. As shown in regular staff surveys, our team are proud to work for CSV and feel encouraged and well supported in their work.

Maintaining this enthusiasm and valuing the contribution our team makes to the rectification program means we will continue to retain staff and move from strength to strength.

CSV exists to make people safer and to give people certainty.

The organisation prides itself on direct and clear engagement with owners corporations, stakeholders and our Board, working together to deliver our landmark program.



Dan O'Brien

Chief Executive Officer
Cladding Safety Victoria

About Us

CSV was announced as the first organisation solely charged with rectifying combustible cladding anywhere in the world.

In July 2019, the Victorian Government announced its intention to set up an agency dedicated to cladding rectification in response to key recommendations of the final report from the Victorian Cladding Taskforce. As a business unit of the VBA, CSV recruited staff and built the policies and procedures needed to deliver cladding rectification.

In late 2020, CSV was established as its own statutory entity with its own Act of Parliament. The organisation reports to the Minister for Planning and its six-member board is appointed by the Minister for a three-year term.

The organisation continues to work closely with the VBA and councils, who refer buildings with combustible cladding risk to CSV to determine funding eligibility.

CSV's primary objective is to make the Victorian community safer by reducing combustible cladding risk. CSV is committed to delivering this goal by prioritising government and residential buildings that have combustible cladding on a risk basis and undertaking rectification works on the buildings deemed to be within the scope of the program.

As part of CSV's focus on safety, the rectification program is governed by delivery models that prioritise the safety and wellbeing of the community, building occupants, contractors and our staff.

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

Some owners corporations do not have the resources to oversee complex rectification projects. CSV provides the support, expertise and connection between owners corporations and the right practitioners to carry out works.

The organisation works closely with owners corporations and their management to deliver clear advice and guidance throughout the process. In addition, CSV provides detailed support to owners corporations whose buildings have been assessed as having an elevated level of combustible cladding risk, but who are not eligible for funding under the rectification program.

CSV also facilitates rectification of government-owned buildings, working with the DTP to administer the government program.

Subject to the outcomes of a ministerial review under the *Cladding Safety Victoria Act 2020* (Vic) in early 2024, CSV expects to complete its program of works and support activities by the end of 2025. During 2025, CSV will undertake planning activities to ensure all financial, human-resource, governance, reporting and handover obligations are fully met as part of the entity wind-up process.

Strategic Context

The Challenge

CSV has a responsibility to assess those buildings where the VBA or local councils notify CSV that combustible cladding may pose a significant risk and to rectify the highest-risk buildings. Our challenge is to both prioritise buildings according to risk and to utilise the funding that has been made available to maximise the amount of flammable cladding risk removed over time. In addition, CSV has an obligation to provide support and advice to those buildings assessed as having a lower level of risk, in order to facilitate the remediation of this risk in the most cost-effective manner.

Funding

The Victorian Government announced in July 2019 its commitment to fund the removal of non-compliant flammable cladding up to \$600 million. Should fire safety risk not be reduced to an acceptable level on exhaustion of the available funding envelope, additional funding may be sought.

CSV was established in 2019 and became a statutory authority on 1 December 2020.

CSV is co-funded through government appropriation and money raised through the cladding rectification levy, which has been established under the Building Act 1993. Comprehensive forecasting is undertaken to support efficient delivery of the rectification program, including strategic procurement, for example, and this forecasting is based on robust assumptions. However, yield from the levy is uncertain, particularly in the current environment.

In addition, each building and the issues associated with them are different and the cost of construction labour remains in a state of flux. Through delivery of the first stages of the rectification program, CSV has built a sound evidence base that is used to further refine forecasting models, enabling the prioritisation of highest risk buildings within the existing funding envelope.

Risk

CSV examines its risk profile as part of the planning process and has integrated a consideration of risks relating to the external and internal environment in its strategic plan. CSV is delivering a high-profile world-first program and there are risks inherent in the development and implementation of the new systems and processes required to support the program, navigating the complex stakeholder context and ensuring that value-for-money outcomes are delivered for the community.

As part of its ongoing commitment to effective risk management, CSV regularly reviews its strategic, operational and program risks to support the delivery of agreed objectives. CSV also works in collaboration with DTP and other relevant departments and agencies to identify and mitigate shared and state significant risks across the broader cladding rectification portfolio.

Values

CSV's values and organisational culture underpin the successful delivery of the strategic plan. Our values are embedded into the way we operate and the way in which we assess our overall performance.

CSV has adopted the Victorian Public Sector values, which are:

- responsiveness
- integrity
- impartiality
- accountability
- respect
- leadership
- human rights.

As a delivery agency, CSV's culture evolves as the scale and scope of the rectification program progresses.

Ensuring the performance of CSV's purpose with an overarching commitment to safe

work practices forms the foundation upon which CSV will discharge its duty of care to the Victorian public on behalf of the Victorian Government.

A responsive and respectful culture underpins successful working relationships with stakeholders exposed to cladding fire risk and cladding removal works, and the broader community.

In order to achieve CSV's purpose, a high degree of integrity and accountability is necessary to manage complex processes, involving the deployment of public funds in a safe, timely and efficient manner and in accordance with government procurement rules and policies.

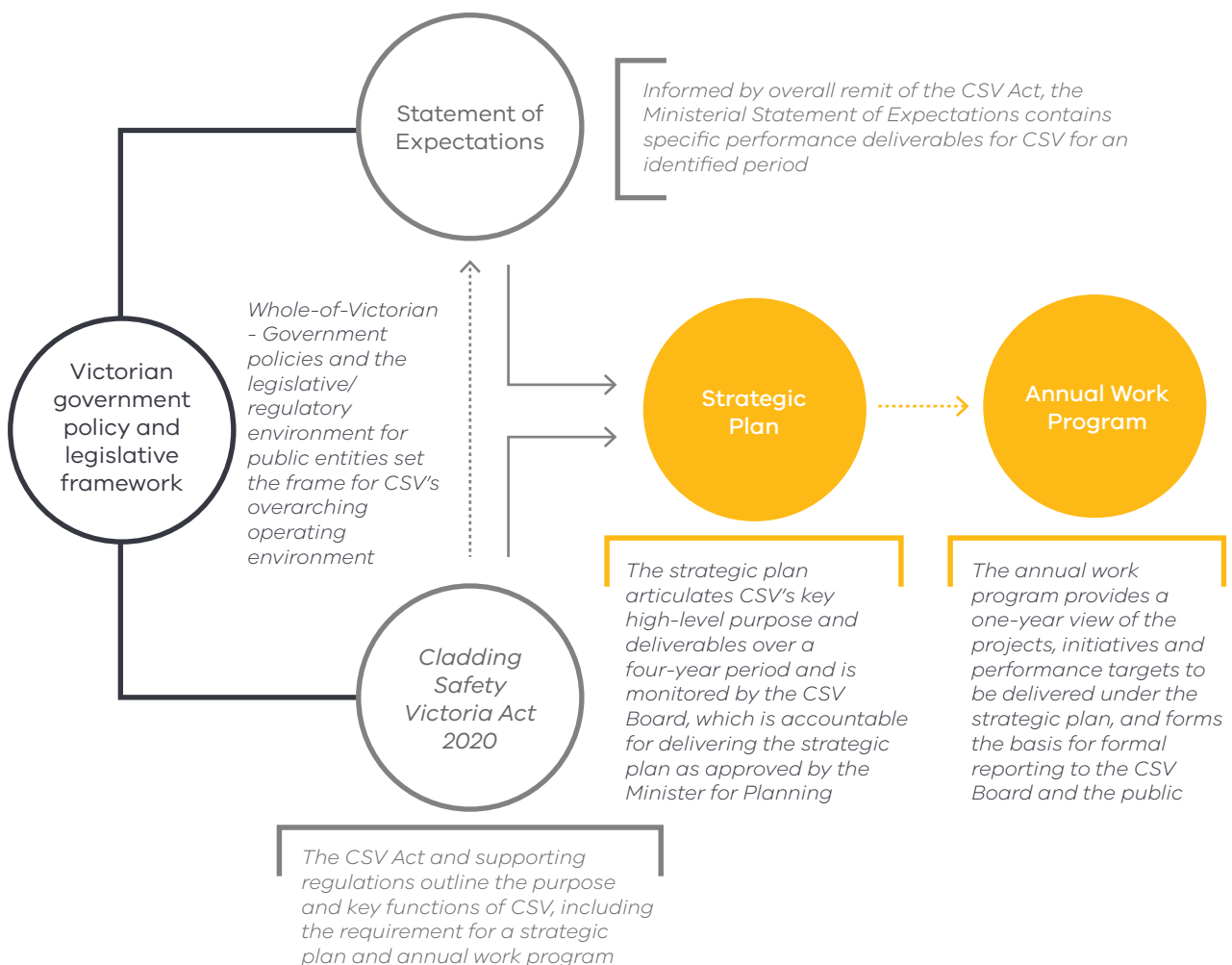
CSV is undertaking a world-first program that requires leadership to define pathways to ensure fire risks of the type posed by misapplication of flammable cladding are not repeated and ensure a body of knowledge is developed that can be readily deployed elsewhere.



Planning Framework

CSV planning occurs within the broader framework of Victorian Government policy and relevant requirements that arise from Commonwealth and Victorian legislation and regulations. Specific obligations, functions and delivery outcomes for CSV are outlined in its establishing Act, the *Cladding Safety Victoria Act 2022* (Vic), and Statements of Expectations issued by the Minister for Planning from time-to-time. These key documents establish the planning environment that informs the development of CSV's strategic plan and its companion plan, the annual work program.

The diagram below illustrates the relationship between CSV's plans and the context in which they operate.



Strategic Plan Structure

The structure of the strategic plan reflects the Victorian Government Outcomes Framework. Details of the projects and performance targets to be delivered under the strategic plan are outlined in CSV's annual work program, which is a companion document to the strategic plan.

The diagram below outlines the elements of the strategic plan and their purpose.



Strategic Plan Overview

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 program in 2023, the focus of CSV's rectification program is to efficiently reduce the risks associated with combustibile 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.

How will we measure our success?

Outcome Indicator	Timely rectifications of buildings prioritised on risk basis
Outcome Measure	Percentage total risk reduction realised from the rectification of buildings with a risk rating of 'unacceptable'

What will we deliver?

Residential rectification program

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

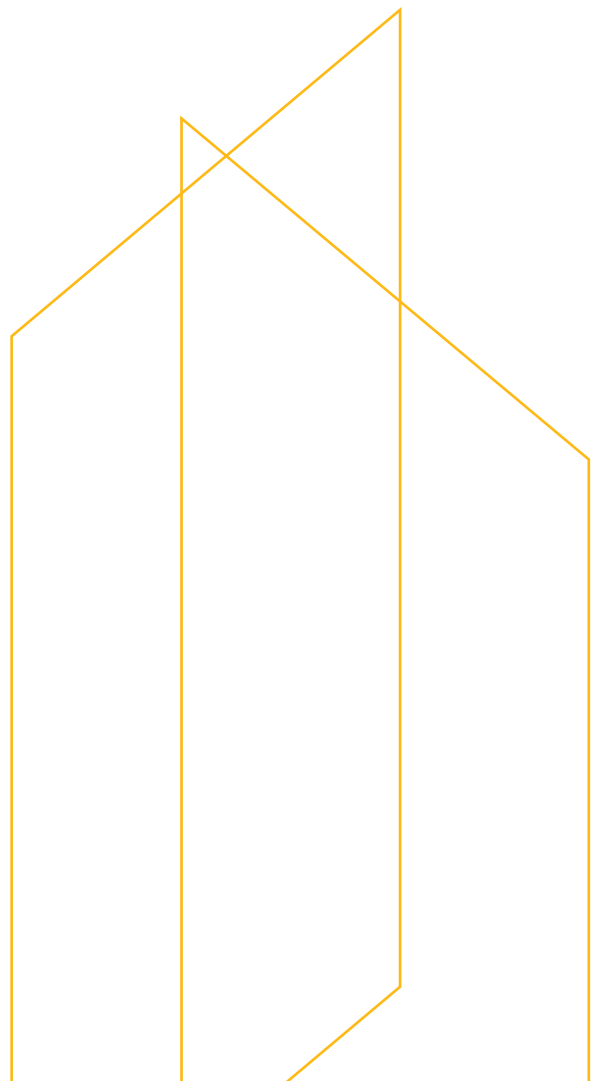
CSV's oversight of the program ensures that:

- 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.

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.



Measuring our progress

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

Output Measures

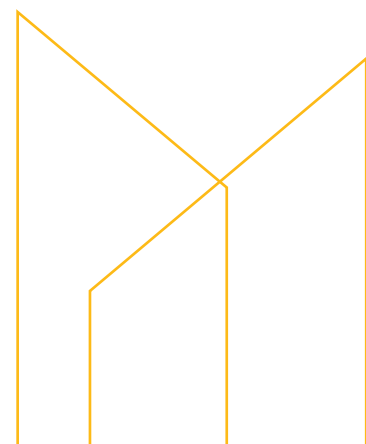
- No. of buildings within the residential program that reach works completed
- Lost-time injury frequency rate
- % at-site incident reports submitted within mandated timelines
- No. of new jobs supported through the rectification program
- Variance between actual and forecast cost for the residential program
- Satisfaction rating for participating owners corporations
- No. of close-out engagements with owners corporations

How will we enhance performance and create additional value?

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.



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.

How will we measure our success?

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

What will we deliver?

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 to determine solutions for mitigating risk to acceptable levels.

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 progressively over time 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.



Measuring our progress

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

Output Measures

- % of queries about cladding and the rectification program responded to within 72 hours
- % of targeted buildings that have been provided with a cladding risk solution within 10 working days of agreement with the MBS
- % of impacted councils that CSV meets with per month

How will we enhance performance and create additional value?

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.



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.

How will we measure our success?

Outcome Indicator	Enhance the effectiveness of CSV's financial, risk and resource planning and systems
Outcome Measures	<p>Actual vs budgeted cost (CSV overall)</p> <p>Internal CSV operating costs as a percentage of overall costs</p> <p>% of extreme and high risks managed within tolerance levels</p>





What will we deliver?

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 financial control environment that is underpinned by effective financial information and reporting systems.

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.

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.

Measuring our progress

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

Output Measures

- Organisational culture and staff engagement rating
- % safety corrective actions completed within agreed timeframes
- % completion of mandatory compliance training modules
- % program reporting delivered within agreed timeframes
- % compliance with mandatory financial management requirements
- % of risk treatment actions completed within agreed timeframes

How will we enhance performance and create additional value?

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.

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.

Reporting and Review

Progress 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 against the strategic plan 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.

Review

CSV operates within a dynamic environment and needs to ensure that its planning reflects any key changes in its broader policy, stakeholder or industry context. To this end, CSV will review the plan on an annual basis and undertake a formal mid-cycle evaluation that includes an assessment of the effectiveness and efficiency of its delivery against the outcomes and measures in the plan.



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