

LONDON BOROUGH OF CAMDEN	WARD: All
REPORT TITLE: Performance on Housing Repairs and Planned Works	
Report of: Acting Director Property Management	
FOR SUBMISSION TO: Housing Scrutiny Committee	DATE: 23 January 2018
<p>SUMMARY OF REPORT:</p> <p>This report provides an update in relation to the delivery of housing repairs, planned preventative maintenance and planned works.</p> <p>In particular it reflects on the changes since the Council moved away from the two comprehensive partnering contracts and mobilised a framework for the Better Homes programme and five Mechanical and Electrical Repairs contracts. This report provides an update on progress and information on performance.</p> <p>Improving performance in relation to repairs and planned works contributes directly to the Camden Plan theme of delivering services <i>Right First Time</i>.</p>	
<p>Local Government Act 1972 – Access to Information:</p> <p>No documents that require listing were used in the preparation of this report.</p> <p>Contact Officers:</p> <p>Martin Fox – Team Leader Commercial Management, 020 7974 1554, 33/35 Jamestown Road, NW1 7DB, Martin.Fox@camden.gov.uk</p>	
<p>RECOMMENDATIONS:</p> <p>Members of the Scrutiny Committee are asked to note the content of the report.</p>	

Signed:



Dated: 12 January 2018

1. Introduction

1.1. The Property Management division delivers repairs, maintenance, servicing and planned works to the Council's housing stock through four main delivery teams and contractual arrangements:

- Day to day repairs for the Gospel Oak, Hampstead, Camden Town and Kentish Town districts are delivered directly by the Council's own in-house repairs team. The in house team also delivers occupational therapy adaptations and repairs to temporary and sheltered housing
- Day to day repairs for the Holborn district and borough-wide major repairs and voids are commissioned through a term contract with Wates
- Planned preventative maintenance (e.g. servicing, certification) and repairs to mechanical and electrical (M&E) equipment are delivered through five contracts with specialist suppliers
- Planned Works (Better Homes programme) covering internal works (e.g. replacing kitchens and bathrooms), external works (e.g. new roofs and windows) and M&E works (e.g. heating and lifts) are primarily delivered through the Better Homes framework

1.2. With regards planned works and M&E maintenance, the two partnering contracts came to an end in March 2016, with some larger projects continuing beyond this date (e.g. heating replacement at Highgate New Town). To replace the contracts the Council consulted stakeholders, developed a procurement strategy and successfully mobilised the following from April 2016:

- Five M&E maintenance contracts covering specialisms such as mechanical works (e.g. communal heating, water, gas), electrical works (e.g. lighting, electrical supplies), lifts, individual heating and ancillary equipment (e.g. door entry systems, TV aerials)
- A Better Homes framework organised into 7 specialist 'Lots'. The framework contains a total of 35 contractors, including 14 small to medium sized enterprises. Under the framework contractors within the relevant Lot compete for the works and the Council awards the work to the best priced, compliant, submission. Contractors who do not perform can be rested from future competitions until improvement actions demonstrated

1.3. For building repairs, following the 2012 Right First Time review, a procurement strategy was developed to establish the work that would be best covered by the in house team and the work that would be contracted out. Once the strategy was agreed a procurement exercise was carried out and the Wates contract for Holborn day-to-day repairs, borough-wide major repairs and voids went live in April 2013.

1.4. Since April 2013, all day to day repairs have been delivered in line with the principles established by the Right First Time review, these being:

- **Manage the work end-to-end** through close working and reducing the need for administration, duplication or delays in the process. This also

means removing anything which causes dysfunctional behaviour (e.g. schedule of rates, incentive schemes) and having an open and honest approach to service, cost and quality

- **Reduce the volume of reactive repairs** by resolving the problem on the first visit wherever possible (acknowledging that some jobs do need more than one visit to be done properly)
- **Do the job when it better suits the customer** by offering greater flexibility in appointments and not being constrained by contract targets, e.g. it might actually suit the resident for the repair to be carried out at a later date if that fits with their work or other commitments
- **Decision making about the work needs to happen at the front-line** by enabling staff to make decisions there and then and remove the need to seek approval for common sense solutions
- **Use measures and local knowledge to learn and improve** rather than rely on key performance indicators that may not, for example, show the true end-to-end time for a full repair to be completed
- **Working geographically** to allow operatives to develop expertise in the properties they are working in, get to know local staff such as caretakers and reduce travel time and associated costs

1.5. This report focuses on performance measures across the above teams and contractual arrangements. It should be noted that aside from the measures set out in this report, the Property Management division is also looking at how it can better co-ordinate casework, improve communications and make sure residents are kept up to date with progress on works.

2. Current performance

Day to day repairs

2.1. The Right First Time approach to delivering repairs has significantly reduced the number of responsive repair orders issued and at the same time achieved consistently strong customer satisfaction ratings. Performance of the day-to-day repairs service is monitored through a 'Qlikview' dashboard, which is used to provide real time management information to support service delivery and to help the early identification of areas of pressure or performance concerns arising.

2.2. Since the new service went live there has been a 14% reduction in the number of repair orders issued from 63,200 in 2013/14 to 54,600 in 2016/17. In the current financial year to the end of December 2017, this trend has continued with a further 4% reduction in order numbers.

2.3. The reduction in orders and focus on key principles has enabled high customer satisfaction results to be achieved. Overall satisfaction with the service, taken from independent surveys, has improved from 89% in 2013/14 to 94% in 2016/17 (residents rating the service as good, very good or excellent). 86% of residents rated the service as very good or excellent in 2016/17.

- 2.4. End to end time is a measure of the time taken from the first point of contact by a resident to completion of the repair (measured in calendar days not working days). Across all trades and all types of repair, the average end-to-end time for a day-to-day reactive repair has reduced from over 20 days in 2013/14 to an average of 13 days in 2016/17 and 14.5 days in 2017/18. Fluctuations in end to end times arise due to a number of factors, some of which are controllable and some are not, for example during July 2017, a number of non-urgent appointments were re-booked due to trade staff being diverted to the Chalcots estate.
- 2.5. The percentage of works completed on the first visit has remained constant at around 70% for the last 2 years. It is unlikely there will be significant improvements in this measure going forward as the focus is on getting the full repair completed right first time and not all repairs can be properly completed in one visit.
- 2.6. The quality of day to day repairs delivered by Wates in Holborn are independently assessed by the Council's quality assurance team. Overall performance has ranged between 91% to 94% of repairs passing inspections during the period of this report (with one quarter seeing a dip to 58%, this addressed by the team).

	Day to day building repairs					
	2016/17				2017/18	
	Q1	Q2	Q3	Q4	Q1	Q2
Number of reactive repairs completed	11,175	11,461	11,203	11,466	10,368	10,154
Average end to end time reactive repairs (days)	13.2	12.5	11.5	13.8	14.9	14.2
% of repairs completed on 1st visit	69%	69%	70%	69%	68%	70%
% Quality inspections passed by Wates (Holborn)	91%	91%	94%	91%	58%	92%
Customers rated repairs good, very good or excellent	95%	94%	95%	94%	94%	93%

Major repairs

- 2.7. Extensive work has been carried out with Wates to review the performance and processes for major repairs. The action plan developed with Wates is focused on the quality of their supply chain, improving the initial specification and reducing the overall time taken to complete repairs. Communication in relation to major repairs is also a key area of focus for the team and officers are looking at this with resident representatives to establish the improvements that can be made.
- 2.8. Major repairs can be protracted due to their nature, often being related to structural issues or damp remediation, and the requirement for leaseholder consultation. End to end times did reduce during 2016/17 but saw an increase in 2017/18 reflecting the period during which Wates re-procured its supply chain. Wates were also extensively engaged on the Chalcots works during quarter two 2017/18.

2.9. The percentage of quality inspections passed improved during the period of this report and will continue to be an area of focus to bring performance into line with expected levels.

	Major Repairs					
	2016/17				2017/18	
	Q1	Q2	Q3	Q4	Q1	Q2
Average end to end time for major repairs (weeks)	18.1	20.5	15.7	15.6	17.1	21.9
% Quality Inspections passed	66%	72%	83%	79%	81%	83%

Mechanical and electrical planned preventative maintenance and repairs

2.10. The five new mechanical and electrical servicing and repair contracts went live April 2016 and performance has generally been strong. The quality of repairs and servicing is high with 94% to 99% being passed over the period of this report. Customer satisfaction for M&E repairs has been high with 89% to 92% of customers rating the repair service as good, very good or excellent over the period of this report. As with day to day repairs, satisfaction is measured independently through telephone surveys.

2.11. Compliance with servicing regimes has generally been good and officers are working with the contractors to improve adherence to programme. Following improvements to the IT system that were introduced during mobilisation, contractors are only paid when a valid certificate is loaded on the system and this is helping the Council to track and improve performance.

2.12. It should be noted that in addition to the data below, in recent months the mechanical works contractor, GEM, has had to manage a number of complex communal heating failures, this due to the age of the systems. A major focus in 2018 will be to mobilise a number of large heating replacement systems that have been subject to resident consultation, this will help to reduce pressure on the responsive repairs service. We will also continue to take proactive measures during summer months to mitigate risk of failure. These include the installation of system cleaning equipment to limit the impact of contaminants clogging the distribution pipe work.

	M&E servicing & repairs					
	2016/17				2017/18	
	Q1	Q2	Q3	Q4	Q1	Q2
Number of servicing events	9,102	7,223	6,119	6,045	6,033	5,584
Individual heating serviced within 14 days of target date	88%	92%	95%	92%	93%	95%
Assets serviced within 14 days of target date (all assets)	84%	86%	87%	86%	86%	88%
Number of completed repairs	7,665	7,084	13,286	11,774	8,491	8,568
Average end to end time for repairs (days)	2.8	4.2	3.9	7.7	6.1	5.1
% Quality inspections passed	94%	94%	98%	99%	98%	99%
Customers rated repairs good, very good or excellent	92%	91%	91%	90%	92%	89%

Voids

- 2.13. By December 2016, the number of voids being managed by the Property Management team had reduced to 226. The number of voids being managed rose in 2017/18 due to an increase in the number of voids occurring and some voids being held for Chalcots residents.
- 2.14. The average time to complete void refurbishment work has fallen following service improvement work with Wates and a tightening of the scope of works, particularly with regards the level of decoration carried out. This is also reflected in the slight reduction in the average void cost.
- 2.15. With regards areas of improvement, the quality inspection pass rate has improved but is still below expected levels. Customer satisfaction with the service remains high with 84% of customers rating the service as good, very good or excellent. It has though fallen from 90% and officers are looking into the reasons for this.
- 2.16. Looking ahead the Council is carrying out a systems thinking review of voids, this covering all aspects of the process from the property becoming vacant to its being let. The primary aim of this review is to reduce both the end to end time for void properties and the overall cost of works.
- 2.17. A pilot is to commence shortly using both the in house team and a separate small local voids contractor so that we can test new processes. The pilot will take place January to April 2018 and if successful we will progress to the full redesign of the service.

	Voids					
	2016/17				2017/18	
	Q1	Q2	Q3	Q4	Q1	Q2
Number of general rent properties becoming void	169	161	131	177	183	152
Number of general rent properties let	202	153	156	156	166	137
Void properties managed by Property Management	243	251	226	247	264	279
Void properties held for Regeneration	262	283	303	308	323	323
New properties created by Regeneration	0	0	89	89	89	89
Sheltered, Temporary and other void properties	45	54	61	67	70	73
Ave weeks to complete works	8.1	9.8	9.8	8.8	8.6	7.8
% Quality Inspections passed	52%	68%	61%	73%	70%	74%
Overall average let time (weeks)	16	18	18	17	18	19
Customers rating voids as good, very good or excellent	90%	89%	93%	86%	88%	84%
Average void cost	£9,327	£10,018	£9,685	£8,747	£9,256	£8,582

Planned works (Better Homes)

- 2.18. In April 2016 the new Better Homes framework was mobilised. Under the framework, mini-competitions are carried out for individual packages of work and the Council has the ability to 'rest' poorly performing contractors. Delivery

of the programme is starting to gather pace and in total 299 packages of work have been issued.

2.19. Adherence to programme has improved under the framework when compared to the partnering contracts, particularly in relation to external works. A wide range of external works projects have been successfully completed ranging from street properties to large blocks such as Flaxman Court.

2.20. A key learning point from year one was that one of the appointed consultant surveyors did not fully account for the Better Homes brief and the need to do all required works when the scaffolding is in place. Therefore when detailed on-site surveys were carried out by the Council's Contract Manager it was necessary to include additional works, this leading to a variance between planned and actual cost. Additional time was also taken to incorporate fire risk assessment works wherever possible. Processes have been updated for year two schemes with a full review of the scope being carried out by Council officers prior to the mini-competition process.

2.21. Scaffolding durations are much improved under the framework. On average, where scaffolding was needed, it was in place for 19 weeks for external works. Any delays encountered primarily related to the re-scoping exercises referred to above and blocks that required structural works.

2.22. Customer satisfaction on framework schemes has been strong with 83% of residents scoring completed projects 3 or more out of 5. The table below sets out the full results of surveys carried out to date.

	Better Homes framework	
	2016/17	2017/18
Internal Better Homes - Blocks completed	<i>no internal works commissioned</i>	69
External Planned Works - Blocks completed	14	108

	Scaffold duration (weeks)					
	0-13	14-17	18-21	22-25	26-30	30+
Blocks requiring scaffolding	8	10	26	17	17	6

	Average score	Residents scoring 3 or more out of 5
Satisfaction with information contractors provided about works	3.5	77.8%
Satisfaction with politeness of contractor's staff	4.3	95.2%
Satisfaction with how contractor managed appointments for work	3.5	80.4%
Satisfaction that contractor kept disruption to a minimum	3.8	91.1%
Satisfaction that contractor kept home, building & estate tidy & safe during the works	3.8	87.0%
Told when scaffolding would be erected & removed	(Yes/No Question)	66.7%
Scaffolding was erected & removed on schedule (if told)	(Yes/No Question)	76.9%
Satisfaction with information provided before scaffolding erected	3.7	86.8%
Satisfaction with contractor's communication after erecting scaffolding	3.6	80.5%

Satisfaction with care taken when erecting & dismantling scaffolding	3.8	85.4%
Satisfaction with helpfulness of contractor	3.8	86.0%
	Average score	Residents scoring 3 or more out of 5
Satisfaction with standard of workmanship	3.6	79.5%
Satisfaction with improvements work made to home, building or estate	3.8	89.1%
Satisfaction with overall service from contractor	3.6	84.8%
Average score for all questions	3.7	82.6%
Leaseholders	3.3	75.0%
Tenants	3.9	86.7%

3. CONCLUSIONS AND NEXT STEPS

3.1. The introduction of the Better Homes framework has provided greater flexibility and control over programme delivery and the five mechanical and electrical contractors have enabled the Council to directly engage and manage specialist suppliers. With regards day to day repairs the focus will remain on the right first time principles and using the performance measures to make sure service quality is maintained. As highlighted in the report the Council has been working closely with Wates to improve the delivery of voids and major repairs service, voids also being subject to an in depth systems thinking review and pilot.

3.2. Looking ahead to 2018/19, the priorities with regards service performance will be:

- Making improvements to casework co-ordination and communication with residents regarding repairs and planned works
- Mobilisation of large heating schemes, many of which have been subject to detailed resident consultation, to reduce pressure on the repairs service
- Ongoing work to improve performance in relation to Better Homes, with a continued focus on early consultation, the initial scope of works and scaffold duration
- Completion of the voids systems thinking pilot and redesign of the service
- Continued work with Wates in relation to major repairs and the reduction of end to end times

4. LEGAL IMPLICATIONS (comments of the Borough Solicitor)

4.1. The Borough Solicitor has been consulted and has no comments to add.

5. RESOURCE IMPLICATIONS (finance comments of the Executive Director Corporate Services)

5.1. The Executive Director Corporate Services has been consulted and has no comments to add.

REPORT ENDS