

**ROTHERHAM BOROUGH COUNCIL**  
**Report to Members**

<b>1. Meeting</b>	<b>Improving Places Committee</b>
<b>2. Date</b>	<b>27<sup>th</sup> November 2013</b>
<b>3. Title</b>	<b>Housing Repairs and Maintenance Update Report period November 2012 to November 2013</b>
<b>4. Directorate</b>	<b>Neighbourhoods and Adult Services</b>

### **5. Summary**

This report seeks to provide a summary update in respect of the Repairs and Maintenance Service provided for the Councils Housing Stock in the last 12 months since November 2012 when the last report was presented to the Improving Places Committee (IPC).

### **6. Recommendations**

That the comments in this report are noted – no specific actions required.

## **7. Proposals and details**

### Background

The delivery of the Housing Repairs and Maintenance Repairs Service was transferred to Morrison Facility Services (MFS) and Willmott Dixon Partnership (WDP) on the 1<sup>st</sup> of November 2010. A report on progress was last presented to the IPC in November 2012 and this report seeks to update the position presented at that time.

At the time of the last report MFS were undergoing a change of ownership having been taken over by Mears in November 2012. Clearly this offered some cause for concern but also addressed some other issues that were perceived to exist in respect of Morrison's financial position.

Since that time we have seen no negative impacts on the service delivery through the change of ownership and Mears, as they promised at the time, have maintained their focus and performance as a service provider. They have made very few changes. They have invested in new software and an increased focus on performance both actual and commercial. Only time will tell if this manifests itself in other ways. The Client team acting on behalf of the Council are clearly aware of the risks that come along with change and continue to monitor progress and performance with the support of the P & Q team in the council.

Willmott Dixon Partnership (WDP) continues to support the Council in respect of contract delivery and again have worked to maintain and improve the service wherever possible. Their forward looking business plan seeks specifically to develop their relationship with the Council by aligning their plans with the needs and requirements of the service and its customers. Performance continues to meet the Key Performance Indicators (KPIs) set out in the contract with high levels of customer satisfaction (reported by the contractors but monitored and verified by the P & Q team).

### Contract Term

The contract offers service providers an entitlement to a one year contract extension subject to meeting the performance criteria set out in the agreement. In both case, MFS & WDP have exceeded this performance measure and as such are entitled to their contract extension. As such the contract will now run until 1<sup>st</sup> of April 2017 – the council has the right to withdraw this extension should performance dip in subsequent years. Likewise if performance is maintained the contractors have the opportunity to gain 3 further years extension. In discussing this initial year of extension a concession has been agreed with contractors in respect of the shared saving mechanism in the contract which currently gives a 30% / 70% saving share in favour of the contractor. For year 7 (2016/17) and beyond this will equalise to a 50/50 sharing of any savings.

### Shared Savings and Legacy in the 2012/13 Financial Year

The Contract has returned to RMBC £645,000 in shared savings for the period 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013. This has been calculated based on Open Book Accounting and the mechanisms in the contract.

It has been agreed that some tangible benefit should be forthcoming and is desirable in respect of this funding which is over and above expectations. As such the intention is to

use C£400,000 of these monies to construct 2 pairs of Semi Detached Disabled Persons Bungalows on infill sites in Rotherham. This will provide much needed and appropriate accommodation for families in need and who the Council have a duty to make provisions for. It will also create a long term asset for the council which will attract rental income and new homes bonus, the latter making a contribution to the Councils ever pressing need for funding. It is anticipated that other savings in respect of General Fund costs will materialise through the reduced need for intervention and direct support for these families.

Customer Insight

Customers remain at the heart of the service and have regular involvement through the Quality & Standards Challenge Group. Throughout the year, a number of Mystery Shopping exercises have been carried out by customer volunteer inspectors. Areas studied included the lettable standards, responsive repairs and garage inspections, amongst others. The inspections were carried out using telephone and face to face surveys, visits to empty homes and on-site garage inspections.

The general feedback has been positive and any issues highlighted are reviewed and acted upon as service improvement actions.

Where are we now?

The service remains on track in respect of performance and customer satisfaction. At the end of the 2012/13 financial year all the Key Performance Indicators (KPIs) reported to the Directorate Leadership Team were on target. Scrutiny of the performance by the Performance and Quality team along with Tenants Groups confirm that the outturns are reflective of reality. This is further supported by low levels of complaints accepting that within an area of service carrying out levels of activity; in excess of 40,000 responsive repair jobs per year, some things will go wrong from time to time.

Monthly measurement of the same performance indicators at the half year (FY 2013/14) indicate sustained levels of performance.

Criteria	Rating at start of contract	Rating at end September 2013	Target
Customer Satisfaction	98.61%	99.6%	95.5%
Appointments Made & Kept	89.53%	99.89%	98.5%
Repairs Completed on Time	88.10%	99.16%	99.00%

Attached at appendix A is the full set of KPIs reported within the contract with outturns at the half year 2013/14.

The work done to change the emphasis away from emergency and urgent repairs to a more planned approach continues to be maintained. At the outset of the contract this ratio was 60/40 it currently it stands at 40/60. (Emergency & Urgent Jobs 40.15%, Non Urgent 59.85% - data at 4<sup>th</sup> November 2013). While not in line with perceived best practice of

30/70 taking into account local knowledge further progress is likely to be at the expense of customer service and as highlighted in last years report this is currently being accepted as an acceptable outturn.

### Value for Money

The CSD team continue to focus and challenge out of scope variations to ensure we maximise the value returned from the contract. This is supported by the Commercial Manager and her team in overseeing cost control and management.

Following investment in Rockingham and Wingfield we have seen a reduction with MFS in respect of out of scope variations on roofing which has contributed to an overall fall in costs in this aspect of spend.

We continue to focus on reducing the levels of variations by focusing our investment using the knowledge gained from the repairs history; this should assist us to achieve this objective.

### Performance Management

With regards to the Repairs and Maintenance service all the R&M performance indicators have achieved the cumulative year end targets (2012/13 period). This has been achieved through being pragmatic, dedicated and having a proactive approach in our partnership working. All parties have worked together and been focused on putting actions into practice to help improve things and supported and shared good practice within the partnership. Most importantly the understanding of the customer view of the service has been critical to achieving this improvement.

*During the last 12 months we have:*

- Completed more repairs on time and had more satisfied customers - It has been the best ever performance for the responsive repairs service
- Reduced the number of properties stood empty and the time they are vacant to an average of less than 6 weeks – This is the best performance in the last 3 years

In national benchmarking the repairs service was ranked as follows:

- This service was ranked 71 against 336 other organisations for repairs completed on time (amongst the best)
- This service was ranked 65 against 217 other organisations for repairs completed right first time (above average)
- This service was ranked 101 against 215 other organisations for appointments made and kept (above average)
- This service was ranked 187 against 247 other organisations for re-let times (about average). This is an improvement from 2011-12, when the service was ranked below average

### Learning from complaints

Overall complaints fell by 12% from 2011/12 with the main repair and maintenance issues being around damp, gas boiler/heating issues, rainwater goods and roof leaks.

In many cases damp proves to be actual condensation and this is a matter of education and lifestyle issues – the focus remains on seeking to address these issues through on-going education and guidance provided to customers by RMBC and Contractor staff.

The repairs service continues to invest significant sums in upgrading heating and boilers (£2.3m in 2013/14) with a view to ensuring the heating systems fitted are fit for purpose and as economical to run as possible for customers.

Following on from Decent Home investments in the internal facilities in properties the current focus is on addressing external repairs in the guises of roofing (major programmes in Rockingham & Wingfield and Canklow are on-going at present). This seeks to address issues associated with roofs, rainwater goods and related repairs as highlighted by complaints.

### Responsive Repairs

Following the return of RBT to the Council the corporate call centre now deal with all incoming calls 24/7/365 – this is a far more robust approach than previously existed where the service was delivered by 3 different parties prior to the change. This provides an ability to flex capacity should it be needed while improving skills of the operatives. As a result the process of repair diagnosis has been improved. This is in line with the improvements highlighted in the last report to IPC

It has been agreed with Willmott Dixon that they will move away from the original contractual agreement for Gas Repairs which was based on Right to Repair extending the time scale for urgent repairs in the summer months to 3 working days. They will now seek to respond to all emergency calls (24hr) by end of next working day regardless of time of year. This reflects the changes made to the heating systems in the borough through the decent homes process where many homes had Combi Boilers fitted meaning failure results in loss of heating and hot water with no back up.

The two key measures of the service; Appointments Made and Kept (AMK) and Right First Time (RFT) are both running ahead of the contractual KPI target as

AMK – target 98.5% – cumulative position at end of September 2013 - 98.6%

RFT – target 92% – cumulative position at end of September 2013 - 97.3%

Beyond delivery of the Responsive Repairs Service the contract also delivers on 5 other work streams:

- Voids – Major & Minor
- Gas Safety & Cyclical Works
- Planned Works
- Capital Works
- Aids and Adaptations

### Voids

1727 properties became vacant during 2012/13 compared to 1793 the previous year. The average turnaround of empty homes was 28.89 days, making it the best performance in the last 3 years. This was a dramatic decrease from 39.49 days in 2011/12.

In order to improve the process for those looking to rent a property, a number of initiatives are being explored. These include:

- Revising the property standard and price for preparing an empty property
- Introducing an empty properties management service for gas and electric
- Reviewing the gas uncap and test procedure

### Gas & Cyclical Works

One key area in this work stream is the maintaining of compliance with the Councils responsibility as Landlord, within gas safety legislation. Since the start of the contract there has been a significant improvement in compliance. The table below shows the compliance percentage for the last 6 months demonstrating sustained improvement.

Month	Minimum acceptable percentage against 100% Compliance objective	Outturn
April 2013	99.6%	99.96%
May 2013	99.6%	99.94%
June 2013	99.6%	99.93%
July 2013	99.6%	99.91%
August 2013	99.6%	99.95%
September 2013	99.6%	99.98%

This position reduces risk for the council of breaching Health and Safety regulation and reduces costs of enforcement through gaining legal access.

### Gas Responsive Repairs

The level of Gas Responsive Repairs remains stubbornly high at around 18,500 jobs per year. We continue to work with our partners to improve the service and seek to identify issues that may result in reducing demand over time.

In the meantime WDP have, by agreement with staff, made changes to contracted hours to improve availability of resources to support the repairs service in meeting its obligations for response times.

### Planned and Capital Works

Both R & M contractors are actively carrying out planned and capital schemes across the borough.

Additional contractors have been engaged for the delivery of some Capital schemes:

- Lovells for re-roofing of flats in Rockingham area
- Keepmoat for re-roofing of the Canklow estate, a programme of fascias, soffits and rainwater goods and some door and window replacements.
- Bamford Doors for replacement of communal entrance doors to blocks of flats

A focus for the client team is and remains both quality of outturn and timeliness of delivery. Significant progress has been made in respect of quality of outturn, some work remains to be done in respect of timeliness.

### Aids and Adaptations

Both R & M contractors deliver works on Aids and Adaptations in three work areas:

- Minor Fixings
- Minor Adaptations
- Major Adaptations

These works are measured against fixed timescales for each area of work and progress reported monthly – 99.05% of works were delivered on time in September 2013.

### Quality Assurance

The CSD Team undertake on-going Quality Assurance (QA) checks on work carried out by all contractors. All Technical Officers are expected to make checks on quality as part of their job and this is supported by specific officers with QA responsibility. These additional inspections focus on general repairs and more specifically by specialists on Gas and Electrical works. The outturns of these inspections are reported within the monthly performance statistics.

Tenant inspectors are also involved in carrying out checks on works and process through regular site visits and mystery shopping of the service. The outturns are reported back to the Council's P & Q Team and any lessons learned are incorporating in future improvement plans.

All QA activities are supported by both P & Q and the Councils H & S team to ensure an element of independence from the client. As and when required additional external audits are commissioned to support the service with developing best practice, for example in December 2013 an independent review of Gas Servicing Processes will be undertaken.

### Contractors Corporate and Social Responsibility

All contractors involved in the repair and maintenance of housing have embraced this aspect of their responsibility and the results are visible in the commitments they have made to Rotherham:

Morrison:

- Maintain the promised training academy and we are seeing not only local staff but others from outside the area attending this facility.

- They continue to sponsored the local Football club – The Morrison Stand

#### Willmott Dixon

- Have undertaken further works at Rotherham Hospital in 2012/13.
- The WDP *Opening Doors* programme has allowed them to give work experience and practical skills training to increasing numbers of young people and the long term unemployed.
- Another example of joint working is the training the contractors staff have embraced in respect of Safeguarding (both Adults and Children) – they have trained all their front line and supervisory staff using the RMBC training material to act as “eyes and ears” on the ground in respect of these issues.
- Likewise both are engaged in developing a strategy to support the MECC (making every contact count) initiative being lead but Public Health.

Both should be commended for their visible actions it is very easy to make promises about community support in a Tender and then not deliver on these.

#### What does the future hold?

The Contract and Service Development Team as the name suggests are committed to working with both partners to modernise the service and improve the experience for the customer. We have seen significant improvement through joint effort and must continue to build on this platform.

#### What will we be working on?

Service development is a journey and we have reached a milestone on the way from which we must move on, objectives for the next year are:

- Working with Morrison FS new owners, Mears, to ensure the progress made to date is embedded and the changes in the background do not disrupt the service.
- Continuing the focus on quality of outturn and workmanship with a view to further improvement
- To improve perception and recognition of the service by delivering to the highest standards
- We are working with our partners to reduce the level of minor defects and ensure that the level of customer care received is of the highest standard.

## **8. Finance**

There are no specific financial issues in relationship to this report.

## **9. Risk**

There are no specific risk issues in relationship to this report.



## **10. Background papers and consultation**

Appendix A 2013/14 Half Year KPI outturns

## **11. Contact name**

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