

Item No.	Classification: Open	Date: 6 July 2010	Meeting Name: Housing and community Safety Scrutiny Sub-Committee
Report title:		Briefing for Housing Repairs Service	
Ward(s) or groups affected:		Borough wide	
From:		Strategic Director of Environment and Housing	

Introduction

1. The Repair & Maintenance service provides undertakes day-to-day repair work to the Councils stock of 55,000 properties. The stock covers a mix of high and low density blocks within estates, and adopted street properties. Typically the service delivers around 120,000 repairs per year. The repairs are both internal and communal repairs around trades including plumbing, carpentry, electrical, roofing, drainage, plastering and void properties. The RM2009 contract is let to Southwark Building Services (North) and Morrison Facilities Services (South).
2. Contracts for Heating, Lifts, Estate Lighting, Door Entry, Dry Risers, Lightening Protection, and TV Aerials are managed separately by our Engineering and Compliance team.

New Repairs & Maintenance Contract

Background

3.
 - Commenced 3rd June 2009
 - Providing day-to-day, emergency and out of hours repair & maintenance (plumbing, roofing, carpentry, electrics, wet trades, void works etc.)
 - Let for 7 years with option to extend for further 3 years
 - Let via 4 packages on a geographical basis (north, east, central & south), plus temporary accommodation
 - Southwark Building Services provide services for north (Borough/Bankside and Walworth & east (Bermondsey and Rotherhithe)
 - Morrison provide services for central (Camberwell and Peckham), south (Dulwich and Nunhead/Peckham Rye) & temporary accommodation

Key Aspects of the contract

4.
 - Service provider performance is easily measured and linked to a penalty/reward system.
 - Two service providers with clear areas of responsibility matching the Housing Areas.
 - Updated ways of handling repairs already tested with both contractors incorporating improvements in working practices e.g. Optitime resource scheduler
 - Single first point of contact to report repairs and check progress (real-time)
 - Ability to review individual costs annually

- Development of partnering within the contracts to allow flexibility to respond to service needs,
- Greater efficiency through innovation is encouraged, the financial proceeds of which can be shared.
- Open-book accounting will lead to greater transparency in financial arrangements and to charging based more on the real costs of delivering a repairs service.

Benefits to customers

5.
 - Service is already demonstrating improved performance against key indicators
 - It will provide a better value, and will be cheaper in the long run
 - Poor performance trends will be spotted early to allow early corrective action to be taken.
 - Operatives will be able to vary works and make new appointments while they are still with the tenant.
 - The number of repairs completed on the first visit will increase as operatives will be able to vary jobs and get permission to increase costs without leaving the property
 - Single point of contact for all residents to report a repair and chase progress.
 - All repair appointments other than emergencies will be appointed and the tenant will be sent SMS reminders
 - Swifter responses to questions and complaints

Performance Indicator examples

Performance Indicator	Target	Actual 2009/10
Resident Satisfaction with overall Repairs service	90%	90.32
Resident Satisfaction with Contractors (KPI1)	90%	94.20%
Percentage of Emergency Orders commenced and completed on time	95%	94.76
Percentage of Code 2,3 and 4 Orders commenced and completed on time	95%	91.63%
Percentage of Appointments made and kept	90%	99.60%
Percentage of response repairs (Composite SODs) completed on first visit	90%	79.60%
Average number of days to complete all repairs	7.5	7.37
Average call waiting time at CSC	1 minute	1min 16 seconds

Current Performance Concerns

6. Whilst the KPIs highlighted above look relatively positive, we have concerns around a number of areas, including;
 - Increased pressure on a reduced R&M budget
 - Level of overdue works orders
 - Quality of repair in some trades
 - Call handling performance by Customer Service Centre

7. We anticipate that Housing Management will be subject to an Audit Commission inspection sometime in the near future. In preparation for this we recently commissioned an external audit of our Repairs service.
8. The inspection highlighted a number of areas that require improvement, and we have produced an action plan to address the identified gaps.

Ordering Process, appointments and scheme of authorisation

9.
 - a) Customer calls Customer Service Centre to report the need for a repair (approximately 80% of works orders are generated via the call centre)
 - b) Customer Service Representative (CSR) diagnoses concern and raises repair
 - c) system generates Works Order during the call
 - d) CSR makes appointment with customer during first call,
 - e) system provides notification via text/Letter, (including two text reminders)
 - f) Contractor attends job at appointed time (AM/PM/school run)
 - g) Variations up to authorised limit are handled by contractor straight away,
 - h) Variations over prescribed limit or any follow-on work will be scheduled by Repair Control Centre (this is a joint team of CSC, E&H and Contractor staff working at the CSC).
 - i) Upon completion of repair, the Works Order is closed by Contractor staff,
 - j) Within 2 hours of Works Order closure, a call back is attempted to the customer to conduct post-inspection Quality surveys,
 - k) When customer responses indicate satisfaction then the data is collected and reported to Housing monthly.
 - l) When the customer response indicates;
 - o the job is not complete,
 - o the quality is not satisfactory, or
 - o the overall assessment of the end-to-end repair process is unsatisfactory, then reports are automatically provided to the Housing Officer in the RCC the next business day for review and remedy. The Client Officer may;
 - 1) require the contractor to re-attend to complete the repair,
 - 2) speak with the resident to better understand the reason for the perception of quality, or
 - 3) review the specific area of dissatisfaction and provide input to the relevant parties for corrective action.

Monitoring

10. The contract is monitored through a number of different processes;
 - Customer call backs on all repair orders raised via the CRM system (including heating/hot water jobs)
 - Post inspection now 800 jobs per month by Technical Officers
 - Contractor tasked with undertaking post inspection of 20% of jobs per month by contractors (approx. 1200 each)
 - Audit of orders by Quantity Surveyors (physical and desktop analysis)

11. Remedies available to address quality, completion and conduct issues;
 - Default notice
 - Credit memo
 - Recovery of costs to reflect the loss incurred by the Council
 - Pass work to alternative contractor
 - Withdrawal of trades for continued poor work
12. The Quality survey call back process is intended to proactively identify where there is a breakdown in the service, and promptly take action to remedy the situation.
 - This includes re-raising of Works Orders that are not completed to the Council's standards
 - Also includes explaining the Council's repairs process and obligations to the resident particularly when the residents expectations exceed the Council's obligations.

Restructure and Improvement plans

13. Last year we commissioned a comprehensive review of how we deliver our contracts and technical services, and the proposals were subsequently developed. On 1st June this year a new business unit of Asset Management & Investment Planning (AMIP) came into effect within the Housing Management division. The AMIP business unit incorporates Investment, Repairs and Engineering Services.
14. The core aims to be delivered through the new structure include;
 - a central asset management team focused on a comprehensive approach to the management of the property
 - change the client approach to fit in with the partnering approach across major works, repairs and engineering contracts
 - consistent contract management across all our contracts
 - improved cost control to achieve value for money in all contracts through the new Commercial Team
 - use performance information to drive improvements in services and improve resident satisfaction, led by the new Performance Team.
 - develop the 'Compliance' function, including FRA management
 - a transition programme that includes a workforce development programme
 - greater resident participation and input to the service through creation of a working party
 - develop partnering practices to drive down costs
 - centralised administration team to improve complaints and payment processes
 - improve commercial awareness and contract management skills within Repairs service

Contract management, inspection regime & complaints

15. The recent restructure within Asset Management & Investment Planning will see us place an increased focus on the quality of our contract management to ensure that we deliver value for money, and hold contractors to account for their performance. The new R&M contract will see more and more challenging KPIs each year.

16. Out technical staff are to be directed, increasingly by the Commercial Team, towards undertaking more quality checks of works to address issues and improve contractor performance. Linked to this we plan to undertake greater analysis of the complaints that we receive in order to contribute towards shaping priorities, training, materials etc.
- Complaints now managed through the iCasework system
 - During the period 2009/10 there were 2405 official complaints registered to the Housing Repairs service
 - This included stage 1, 2, 3 and Ombudsman cases
 - 1700 cases were upheld or partially upheld
 - Proposed
 - Enquiries/issues also dealt with via general correspondence, emails, Customer Relationship Management (CRM), telephone calls

Mobile Working

17. The development and use of mobile technology within Housing Repairs is two fold; for contractors and Technical Staff.
18. Both SBS and Morrison are looking to utilise handheld devices that connect their back office systems to Southwark's IT systems. SBS have already commenced with the technology for their emergency response team, and expect to roll out to all operatives by October this year. Morrison are a little further behind, and are currently scoping their requirement with ISD. They expect to be using handheld devices by the end of 2010/11.
19. Use of this technology will allow a number of benefits that include;
- Faster updating of systems to improve information flow for customers
 - Create efficiencies through reduced administrative actions
 - Improved completion rates (next job passed across upon completion of the previous one)
 - Improved personal security (GPS and in-built panic alert function)
20. The Repair & Maintenance service are hoping to introduce use of a device that will allow Technical staff access to the housing database by the end of 2010. There are a number of IT difficulties that we are trying to work through with ISD in order to ensure that the devices provide the appropriate benefits, to include;
- Ability to raise works orders whilst in a customers home, providing reassurance to residents
 - Check on previously raised works (to decide on appropriate actions)
 - Integration with resource diary system (Optitime)
 - Improved personal security (GPS and in-built panic alert function)
 - Email access
 - 20% more pre-inspections undertaken