

Item No. 7.	Classification: Open	Date: 17 May 2011	Meeting Name: Cabinet
Report title:		Response to the Housing and Community Safety Sub-committee's Review of Housing Repairs Key Performance Indicators	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management	

FOREWORD - COUNCILLOR IAN WINGFIELD, DEPUTY LEADER AND CABINET MEMBER FOR HOUSING

In the wake of persistent complaints from residents over a sustained period regarding the housing repairs service, I suggested that the whole matter should be investigated by the Housing Scrutiny Committee for its consideration.

To that point all Ward Councillors were continually being bombarded with complaints about the poor quality of repair work, appointments not being kept, misunderstandings in the call handling of repairs, wrong trade operatives turning up, operatives having the wrong tools or not having the appropriate parts to complete a job. This was why there appeared to be a huge discrepancy between residents' own experiences and the extremely high performance statistics through Key Performance Indicators used by the Council's housing service.

Therefore I am very pleased that the Housing Scrutiny Committee considered this matter with due diligence and in great detail. It took evidence from all relevant parties and elicited significant candour from the contractors as to the failings of the present repairs service, together with direct evidence from residents' own personal examples of bad service.

I am delighted to present the recommendations of the Housing Scrutiny Committee together with the actions the Housing Department has taken to date in realising them. I fully support and endorse all recommendations and actions as they will go a large way in re-establishing the trust and confidence of residents in the repairs service. The actions taken will also give greater transparency to the whole repairs service, will put residents at the heart of the service, lead to a more realistic assessment of performance indicators and give greater monitoring and enforcement of contractors.

RECOMMENDATIONS

1. Note and agree the response to the recommendations of the Housing and Community Safety Scrutiny sub-committee's investigation into the Key Performance Indicators for the Housing Repairs Service.
2. Agree that the ongoing monitoring of action plan and progress takes place at the Repairs Core Group, chaired by the Deputy Leader and Cabinet Member for Housing.

3. Note the additional activity being undertaken to improve the repairs service.

BACKGROUND INFORMATION

4. In July 2010 the Housing and Community Safety Scrutiny sub-committee investigated Key Performance Indicators (KPIs) for the Housing Repairs Service. The review commenced in July 2010 and concluded in January 2011.
5. As part of their review the sub-committee undertook the following actions:
 - Met and questioned senior officers within the Environment and Housing department.
 - Reviewed the existing KPIs and the methodology used to measure them.
 - Listened to recordings of in-bound repairs calls, and to outbound customer satisfaction calls.
 - Met with contractors delivering the Repair and Maintenance service.
 - Undertook a case tracking exercise to assess performance against KPI outcomes.

REPORT SUMMARY

6. The sub-committee identified significant failings in the way in which performance data was collected in the repairs service. The findings were published in a report in January 2011 and made 13 key recommendations.
7. Officers welcomed this root and branch review of repairs key performance indicators. As well as providing the context to fundamentally review the repairs and maintenance service provided to residents, the recommendations complement the new housing services' department's focus on repairs. The Committee's inclusion of residents in the scrutiny process has clearly been beneficial and the recommendations reflect the need for ongoing service improvements to be shaped by residents in receipt of those services.
8. On an ongoing basis, the report reflects the need to put in place qualitative rather than quantitative KPIs which are based on the customer experience.
9. All of the recommendations made by the sub-committee have been accepted by the housing services department. This report contains a detailed response to each of the recommendations and a summary action plan is included in Appendix 1.

RESPONSE TO RECOMMENDATIONS

10. As well as setting out some clear areas for improvement in the recommendations, the sub-committee's report has prompted a wider review of the quality of the day to day repairs service, primarily because of the disconnection between reporting mechanisms and the experience of residents.
11. The report charges the housing services department to build services around resident's priorities and aspirations rather than the requirements of contractors. So, to complement the findings of the report, an end to end process review of the repairs service, involving residents, staff and contractors started at the beginning of February and completed at the end of March.

12. This review has put residents at its heart and has included every stakeholder involved in the ordering, completing, monitoring and paying for repairs, including the repairs contractors SBS and Morrisons and Vangent, who deliver the customer contact centre for the Council. The review mapped the repairs journey from the first point of contact through to successful resolution and identified a great deal of repetition, waste and duplication in the process, all of which results in an unreliable service for residents.
13. The review process has identified key operational and strategic actions required to transform the repairs service and a detailed report will be reported to the Cabinet Member for Housing at the end of May.
14. In addition, the sub-committee's report identifies that response to problems within the repairs service were largely reactive. The current configuration of the housing management division, with responsive repairs and major works delivered through one team may not have assisted in enabling both high-level overview and the ability to drill down into the detail. Since the sub-committee reported, proposed changes to the departmental structure in the Housing Services Department will separate responsive repairs and major works into two new divisions. Both of these divisions will report directly to the Strategic Director of Housing Services and should give the repairs service the necessary high-level management focus required to deliver improvements at the strategic and operational level.
15. Finally, more attention has been given to the performance management regime through stronger contract management of the repairs contractors. Although these changes have yet to deliver sustained improvements on the ground, financial penalties and more regular performance review through the core group must translate into a more responsive, efficient repairs service with an emphasis on right first time.
16. Each of these actions is complementary to the issues identified by the sub-committee and should assist in the rapid improvement of the repairs service.

RECOMMENDATIONS FROM SUB-COMMITTEE/ RESPONSE

17. The sub-committee made 13 recommendations, the response to which is set out below.

- 1) **New culture of openness and transparency between officers, members and tenants with respect to Housing repairs Service.**

Agreed. A culture of openness, transparency and customer focus has been encouraged at all levels of the repairs service. Senior managers have been encouraged to undertake 'seeing is believing' visits to understand the issues sitting behind complaints and carry out 'back to the floors' visits with housing staff and contractors.

The emphasis on a new culture is one of the central planks of the proposed new structure for the Housing Services Department. A flatter, more accountable senior management structure is being put in place to take more ownership and responsibility. Staff are being encouraged through a refreshed performance management regime to take

responsibility for their actions, to put themselves in residents' shoes and follow through on actions.

In addition, a range of performance tools has been put in place to ensure an honest assessment of performance is provided at all times. These include mystery shopping, repair call sampling and development of the new Repairs Service Improvement Group.

2) Key Performance Indicators to be used as a tool for improvements, rather than to project a positive image.

Agreed. The review of key performance indicators has been completed. To date changes have been made to the way in which repairs completed right first time, appointments kept and resident satisfaction are reported. We recognise the sub-committee's concerns that performance reporting relied on the contractors' systems and performance is now measured according to the residents' perspective and opinion. This approach provides the most accurate view of the repairs service and as many indicators as possible will be measured in this way in the future.

3) Cabinet Member for Housing to chair the core group meetings

Agreed. The Cabinet Member for Housing and Deputy Leader has been appointed as Chair of the Core Group and has chaired two meetings since the change was put in place. We have also increased the frequency of these meetings which now take place on a monthly basis instead of bi-annually.

4) Tenants Council representative to sit on core group meetings

Agreed and already in place. Three tenant representatives from Tenants Council attend core group meetings and the number will increase to four from May. Two members from Homeowners Council will also be appointed in May.

5) A single reference number for each repair from initial report until it is fully complete.

Agreed in principle. Implementation is possible but will require changes to the main system being used by Vangent at the Customer Service Centre. Wider strategic negotiations are taking place with senior officers of the Council and the Vangent executive management team about key areas for service improvement and changes to their IT system is one of the priorities. Progresses on these discussions are expected to be concluded by June 2011 and officers will provide regular updates to the Cabinet Member for Housing.

6) Call centre operatives should be trained to raise "call backs" to all repairs which are a continuation of an existing problem.

Agreed. A new procedure was introduced on 28th February 2011 which allows call-backs or recalls to be monitored as a continuation of an original problem. Residents will be able to make a further appointment at the point of call rather than waiting for a call back which was causing

significant dissatisfaction. Officers will sample check call-backs to ensure they are being completed and reported correctly.

7) Temporary repairs should not be reported as “completed repairs”

Agreed in principle. Current IT systems do not allow temporary jobs to remain open. However, changes to the IT system are planned that will address this. We expect to resolve by the end of June 2011. Typically, temporary works involve boarding windows, dealing with leaks and electrical checks. In the interim until the IT is addressed, weekly management reports will be produced to monitor temporary jobs to ensure that they are followed through to completion.

8) Appointments made and kept should no longer be reported solely through the contractors’ self-reporting system but through the customer surveys.

Agreed and this is being captured through customer satisfaction surveys since November 2010. As the sub-committee anticipated, this has resulted in much lower overall satisfaction levels with the repairs service. In March, performance was 73.9%. This, along with other performance measures, is monitored closely through the core group meetings.

9) A new text message system to be put in place preventing works orders from being closed without agreement from the tenant.

Agreed in principle. This is being operated in some other local authorities with great success and it is something which we want to see up and running in Southwark. Implementation will, however, require changes to the IT system. The outcome of the initial investigation into the practicalities of introducing this new arrangement will be reported to the core group in May.

10) a. The satisfaction survey to follow industry standards and should no longer include a rating of 3 out of 5 as a satisfied customer.

Agreed and implemented through changes to the customer satisfaction surveys which were amended in November 2010.

b. The satisfaction survey should not just include repairs that have been completed, but all jobs where the target date has passed.

Agreed. Will be reported in the new revised monthly KPI suite from the end of April 2011.

c. Staff conducting the survey should be empowered to resolve unfinished repairs, raise recalls and book appointments.

Agreed. This is in place.

11) Financial penalties and incentives are not being used due to targets not being realistic.

Significant financial penalties have been applied to both repairs contractors and the detail of this is monitored at core group meetings, which as stated earlier have now been increased to take place once a month. However, it is clear from the sub-committee's findings that we need to publicise more widely the sanctions applied for contractors' poor performance. We recognise that there is a need to share this information more widely through the consultative forums, such as Tenants Council and Area Forums and we undertake to present all of the operational performance information for the housing services department as a whole on a quarterly basis from June 2011. This timing will enable scrutiny of the first quarter of the financial year.

12) Southwark should introduce a policy of raising a default notice for all incomplete repairs which the contractor has reported as complete.

Agreed. There is already an established process for dealing with incomplete overdue repairs and more than 2,000 default notices have been served this year. Default notices will also be served in every instance where the contractor incorrectly reports jobs as being completed. Performance and progress will be monitored at the monthly contract and core group meetings.

13) Through the core group, Southwark should insist that both SBS and Morrison prevent operative misreporting by a) implementing disciplinary training for managers and b) operating a zero-tolerance policy on misreporting.

Agreed. This is a fundamental issue that must be addressed for the repairs service to be improved. A range of actions have been completed that address these issues. These included:

- Monitoring the level of sub-contracting by each contractor at the core group as this is widely considered to be an obstacle to delivering a consistently good service. We recognise that some specialist trades lend themselves to use of sub-contractors however routine jobs should be carried out by the main contractor and we will be monitoring closely moving forward.
- Moving the management of SBS in-house. The restructure of the housing services department includes reviewing the management structure for SBS, which is currently provided by an external consultancy Just Housing. It is intended that the new management structure will be implemented by September 2011. At the same time, AMIP is being split into two new divisions, Major Works and Maintenance and Compliance to strengthen the management capacity.
- Complaints analysis by operative to reveal repair misreporting and poor performance.
- Zero tolerance for poor performance. Team and individual performance is monitored at the strategic level by the Strategic Director of Housing Services through individual one to ones and bi-monthly team meetings, to make sure that poor performance is being tackled robustly and sanctions are being applied consistently.

In addition, the SDOH meets with HR on a monthly basis to review disciplinary case management.

- Refresher training for managers on effective management of disciplinaries has commenced and will be completed by the end of March 2011.

Community impact statement

18. Effective repairs and maintenance is a universal service that is offered to all tenants and residents of the Borough. The proposed changes to the way the service is monitored and delivered will ensure that residents receive a more customer focussed repairs service.

Resource implications

19. There are no resource implications to delivering the recommendations of this report. Changes to the overall structure of the housing services department are included in the savings proposals for 2011/12.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Communities, Law & Governance (SC052011)

20. The report does not appear to raise any direct legal implications however, there are 2 incidental matters.
21. Southwark has statutory and contractual repairing obligations imposed by Section 11 of the Landlord & Tenant Act 1985, the conditions of tenancy and the tenant's handbook. The steps being taken to improve the repairs service may well assist Southwark in meeting these obligations. The improved systems are likely to result in clearer and more accurate repair records which in turn will assist Southwark in dealing more effectively with disrepair claims. In time an improved service is likely to reduce ongoing and outstanding disrepair issues and thus reduce the potential for disrepair claims and the extent of any damages payable.
22. To ensure Southwark complies with the Data Protection Act 1998 any data distributed for use in the core group meetings must not contain any information that could lead to the identification of individuals.

Finance Director

23. The Approval of Housing Revenue Account Budget 2011/12 report to Cabinet on 15 February 2011 included a section on managing repairs contracts more efficiently and hence this year's budget has been set in line with the anticipated new arrangements.
24. The recommendations in this report are thus allowed for in the 2011/12 budget and have no resource implications.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Housing and Community Safety Scrutiny sub-committee investigation into Key Performance Indicators (KPIs) for the Housing Repairs Service.	160 Tooley Street	David Lewis 0207 525 7836
End to End Process Review of Housing Repairs	160 Tooley Street	David Lewis 0207 525 7836

APPENDICES

No.	Title
Appendix 1	Housing Repairs Action Plan

AUDIT TRAIL

Cabinet Member	Councillor Ian Wingfield, Deputy Leader and Housing Management	
Lead Officer	Gerri Scott, Strategic Director of Housing	
Report Author	David Lewis, Head of Asset Management and Investment Planning	
Version	Final	
Dated	15 April 2011	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Communities, Law & Governance	Yes	Yes
Finance Director	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional/Community Council/Scrutiny Team		6 May 2011