

Item No. 8.	Classification: Open	Date: 22 November 2011	Meeting Name: Cabinet
Report title:		Updated Response to the Housing and Community Safety Scrutiny Sub-Committee's Review of Housing Repairs KPIs	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing	

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

It is six months since I last reported on progress in delivering the Housing and Community Safety Scrutiny Sub-Committee's recommendations on their review of housing repairs. I am pleased to advise that good progress has been made and ten of the 13 recommendations have been delivered. The outstanding recommendations will require changes being made to the repairs IT system before they are delivered and this is expected to be in place early in the New Year.

I have taken personal responsibility for leading the transformation of the repairs service. I now chair both the repairs core group and communal repairs working party. These meetings are thorough and challenging with residents playing a key part in working with contractors to understand the obstacles and influence and direct service improvement. Eight meetings of the repairs core group have been held to date and two meetings of the communal repairs working party. The commitment, honesty and determination for service improvement from the stakeholders involved is beginning to shine through.

It is encouraging also to note the wider progress being made to improve the repairs experience for residents. Effective management of disrepair cases and strong and robust contract management is clearly reaping dividends and I am assured this will continue with enthusiasm.

However, it is important that we do not get carried away or become complacent. The Scrutiny Sub-Committee identified that there were serious failings in the repairs service and I agree. Improvements are being made from a low base and while the improvement corner has been turned there is a long way to go before residents have the repairs service they deserve and we can be proud of.

RECOMMENDATIONS

1. Note the update on progress on delivering the Housing and Community Safety Sub-Committee's recommendations.
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. 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 13 key recommendations were made.
6. Progress against the sub-committee's recommendations was reported to Cabinet on 17 May 2011. At its meeting Cabinet noted that 10 of the 13 recommendations had been delivered. It was agreed that a progress report be reported back to Cabinet in November 2011.

KEY ISSUES FOR CONSIDERATION

Progress on delivering the recommendations

7. Good progress has been made on delivering the recommendations and as mentioned above 10 have been successfully completed. However, three recommendations remain outstanding as delivery is dependent upon changes being made to the IT system currently used by Vangent (who manage the Customer Service Centre CSC, for the Council). The three outstanding recommendations are:
 - A single reference number for each repair from initial report until completion.
 - Temporary repairs should not be reported as completed repairs.
 - Text messages preventing works orders from being closed without agreement from the customer.
8. Delivery of these three remaining recommendations require Vangent to use the Council's main housing management IT system - iWorld, rather than the IT system used at the CSC, Customer Relationship Manager (CRM).
9. Development of the project has been difficult. Vangent have used CRM since the contract was let six years ago and it is used across all Council services providing a single view of the customer, process workflows and detailed transaction analysis to allow billing.
10. While using iWorld will address the three outstanding sub-committee recommendations, it does not capture the single view and workflow, which are important to the Council and Vangent. Time has been spent over the last few months finding the technological solution to address this gap. For instance, the Council has agreed that Vangent roll-out the latest version of Opti-time, the works scheduling software, and this will be fully completed by November. The intention is that a direct link will be built with iWorld allowing for the automatic booking of repair appointments directly into the system. No other organisation in the country has a similar arrangement with this version of software. Also transactional billing will be resolved through daily iWorld reports.
11. The Customer Relationship Management (CRM) system is important to the delivery of services in the CSC as the record of customer demand for Council

service is captured in one place. This insight is critical in assisting the Council to understand how resources are used and how to make best use of them in the future. This was a Council requirement in letting the Customer Service Centre (CSC) and One Stop Shops contract.

12. The CRM is also the prime data capture system for Vangent and is used by them to manage performance and bill Southwark for services provided. Double keying is an option for Vangent, but this clearly isn't the most efficient one. The iWorld project should be able to deliver similar statistics and customer insight information.
13. The complexity of the task has meant that senior IT resources are dedicated to implementation and are engaged on the project. Both Vangent and senior staff have joined the project team and project board to oversee the IT solution.
14. It is anticipated that allowing for the additional development to address the two outstanding issues, the use of iWorld as a single system should be in place by January 2012.
15. Given the complexity and importance of the project, monthly progress reports are being provided to the Deputy Leader and Cabinet Member for Housing.

Recommendations from Sub-Committee/Updated Response

16. A detailed update on the sub-committee's recommendations was provided to Cabinet on 17th May. Progress is summarised once more below and an action plan is attached as Appendix 1.

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

In place. 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.

A flatter, more accountable senior management structure is 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.

- II. **Key Performance Indicators to be used as a tool for improvements, rather than to project a positive image.**

Completed. Changes have been made to the way in which repairs completed right first time, appointments kept and resident satisfaction are reported. Performance is now measured according to the residents' perspective and opinion.

- III. **Cabinet Member for Housing to chair the core group meetings**

Completed. The Cabinet Member for Housing and Deputy Leader is Chair of the repairs core group and he has chaired eight meetings to date. In

addition, in response to the ongoing concerns about delivery and management of communal repairs, a sub-group of the repairs core group has been established. The communal repairs working party is chaired by the Deputy Leader and Cabinet Member for Housing with membership including residents, contractors and officers. Five main themes have been agreed for review: repairs, estate lighting, heating, lifts, and door entry including security. The key challenge for the group is to agree and implement a more efficient process for dealing with communal repairs from initial report through to swift delivery onsite. The action plan will be reported to Home Owners and Tenants Councils.

IV. Tenants Council representative to sit on core group meetings

Completed. Four representatives from Tenants Council and two from Home Owners Council attend core group meetings.

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

As mentioned in above this will be addressed by the IWorld roll-out in January 2012.

VI. Call centre operatives should be trained to raise “call backs” to all repairs which are a continuation of an existing problem.

Completed. 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.

VII. Temporary repairs should not be reported as “completed repairs”

As mentioned in above this will be addressed by the iWorld roll-out in January 2012.

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

Completed and in place since November 2010.

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

This will be addressed by the iWorld roll-out in January 2012.

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

Completed and in place since November 2010

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

Completed and being reported in the repairs key performance indicator suite.

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

Completed and in place.

- XI. **Financial penalties and incentives are not being used due to targets not being realistic.**

Significant financial penalties continue to be applied to both repairs contractors and the detail of this is monitored at core group meetings.

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

In place and ongoing.

- XIII. **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.**

Completed and ongoing. 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.
- 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.
- Refresher training for managers on effective management of poor performance has been completed.

Wider response to improving the repairs service

17. As well as delivering the recommendations in the sub-committee's report, the Housing Services Department has been focused on delivering a wider programme of service improvement.
18. The end-to-end review of the repairs service, which involved a root and branch review of repairs, produced a series of key recommendations which focused on placing residents at the heart of service delivery. Good progress against the recommendations is being made and this is being tracked by the repairs core group.

19. Significant structural changes have been implemented across the key repairs service providers. In the Housing Services Department, management of major works and day-to-day repairs has been separated and two heads of service now lead each function to ensure greater capacity at a senior level. In Southwark Building Services (SBS), the operative workforce has been reduced by 27% and sub-contracting reduced to its lowest level for five years. Taken together this means that SBS operatives will be more productive and efficient than ever before. The relationship with Just Housing has ended meaning that the Council now directly manages SBS. This will lead to reduced costs and improved service. Changes are also planned to the SBS officer structure, which will follow early in 2012 with the same objectives being achieved. In the case of Morrison, they have reduced their management overhead by 28% and are completely refreshing their management team and supervisors. The Council has been very clear about the standards of performance expected from Morrison and they have responded positively. The key will be in this translating in to an improved repairs experience for residents.
20. Overall contract management is improving. A greater focus on completing repairs right first time is leading to reduced costs and a reduction in duplication. This year more than £3m will be saved through improved efficiency and between 2011/12 and 2013/14 more than £10m of efficiency savings will be achieved. Strengthened operational and commercial teams with officers working closely with residents and contractors have been key to this achievement to date.
21. Moreover, and linked to the above, management of disrepair and complex cases is improving. These types of cases are difficult to manage, are costly for the Council and deeply frustrating for the residents affected. Effective management of these cases has seen them reduce this year from 307 in April 2011 to 230 at the end of October, with the target of 150 expected to be achieved by March 2012. When achieved this will be the lowest level of disrepair case for at least six years.
22. Complaints are also reducing. First stage complaints have reduced by 24% compared to the same stage in 2010. The number of residents still escalating complaints to the second stage is still too high and reducing this remains a priority for the department.
23. The Customer Experience (CE) Team are commencing a robust monitoring regime of CSC performance in handling repairs. This will include discreet and overt monitoring of CSC agents, the interrogation of reports of repeat callers and an analysis of the most regular callers. Independent customer satisfaction monitoring will be undertaken. All CE staff have been instructed to take ownership for resolution of customer service issues; adopting a "see it, do it" approach. They have also been instructed to maintain regular dialogue with customers on the progress being made with their repair, through to completion.
24. The Customer Resolution Team (formerly the Complaints Team) has had a soft re-launch of the service with emphasis on service resolution rather than complaints handling. The team will be working closely with repairs managers to improve service delivery with the aim of stopping issues escalating to complaint. Customer Resolution Team members have also been instructed to maintain regular dialogue with customers and to seek feedback from customers on service delivery.

25. In summary, good progress is being made in improving the repairs service. Costs are reducing and the service is becoming more efficient. Resident complaints are reducing and delivery of a right first time service is getting better. However, the service still has a very long way to go before it is truly delivering the service our residents deserve. Making this happen as quickly as possible is an absolute priority for the Housing Services Department.

Community impact statement

26. 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

27. 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

28. The report does not appear to raise any direct legal implications however, there are 2 incidental matters.
29. 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.
30. 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

31. 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.
32. 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 London SE1 2QH	David Lewis 0207 525 7836
Response to the Housing and Community Safety Sub-committee's Review of Housing Repairs KPIs	160 Tooley Street London SE1 2QH	David Lewis 0207 525 7836
End to End Process Review of Housing Repairs	160 Tooley Street London SE1 2QH	David Lewis 0207 525 7836

APPENDICES

No.	Title
Appendix 1	Housing Repairs Action Plan

AUDIT TRAIL

Cabinet Member	Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing	
Lead Officer	Gerri Scott, Strategic Director of Housing Services	
Report Author	David Lewis, Head of Maintenance and Compliance	
Version	Final	
Dated	12 October 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 Team	10 November 2011	