

<b>REPORT TO:</b>	<b>HOUSING AND COMMUNITY SERVICES COMMITTEE</b>	<b>AGENDA ITEM: 9</b>
<b>DATE OF MEETING:</b>	<b>6<sup>th</sup> JUNE 2019</b>	<b>CATEGORY: DELEGATED or</b>
<b>REPORT FROM:</b>	<b>STRATEGIC DIRECTOR (SERVICE DELIVERY)</b>	<b>OPEN</b>
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<b>SUBJECT:</b>	<b>HOUSING REPAIRS AND MAINTENANCE REVIEW</b>	
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE:</b>

## **1.0 Recommendations**

- 1.1 To note the contents of the report and action plan ( Appendix A)
- 1.2 To endorse the actions within the plan for implementation over a three-year period

## **2.0 Purpose of the Report**

- 2.1 The purpose of this report is to describe the outcome of the review of Repair and Maintenance services carried out by the Housing Quality Network (HQN) in late 2018. The final version of the report was received in January 2019. Housing Quality Network was asked to complete this review following their initial work to prepare a specification for mobile working in the repairs team. HQN are a nationally respected consultancy in the field of social housing provision .This review considered the following aspects of the service:

- Strategic housing and asset management
- Responsive maintenance including the Direct Labour Organisation ( DLO)
- Void properties
- Planned maintenance
- Cyclical maintenance
- Gas servicing and maintenance.
- Aids and adaptations

- 2.2 Specifically the review was required to examine the following aspects of the Repairs Service in detail: Whether responsive and void repairs were being delivered effectively, what is the customers' experience of the entire process. Whether planned repairs are effectively planned, procured, managed and delivered. The review examined the suite of Council performance indicators and how they are being used to monitor and improve performance in relation to delivery, value for money and the customer experience. HQN was also required to undertake an assessment of the skills within the Maintenance Team.

### **3.0 Executive Summary**

- 3.1 This Report expands on the report to this Committee on 20<sup>th</sup> April 2017, "Delivering a First Class Repairs Service". That report reviewed the operation of the Housing Repairs Direct Labour Organisation as a separate entity. After the restructure of the Housing Services Team in January of 2018 the new management team identified the need for the repair and maintenance service to be reviewed as a whole in order to modernise the entire service rather than individual aspects of it.
- 3.2 The review makes wide ranging recommendations covering all aspects of the Repairs and Maintenance Service. These recommendations have been categorised as short, medium and long-term. This will form the basis of the three year implementation plan with year 1 addressing the short term actions although a number of actions from each phase are already completed or in progress.
- 3.3 Many of the short-term recommendations require changes to existing processes and procedures. In the medium to long-term, significant changes are required in the structure of the team and also in the IT support for the teams. This includes the delivery of a mobile working solution as outlined to Housing and Community Services Committee in April 2017.

### **4.0 Detail**

- 4.1 HQN was commissioned to carry out a review of the Repairs and Maintenance Service. The review methodology incorporated a range of activities carried out in June and July 2018. The First Stage of the review was a desktop study of relevant documentation to help identify the key issues for the review. The documentation examined included: Structure charts and role profiles, relevant strategies, policies and procedures, contract documentation and performance information and customer complaints and satisfaction data.
- 4.2 During Stage Two of the review HQN undertook a high-level benchmarking exercise to compare the cost and performance of the Council's services against a range of providers in the wider housing sector. This provided a "snapshot" of the Council's performance in relation to its peers and was used as a basis for drawing out strengths and identifying areas for improvement.
- 4.3 During Stage Three of the review, HQN held several meetings with senior managers to discuss and develop their understanding of the service, particularly from a wider strategic perspective. In addition, a total of 12 colleagues from the Repairs and Maintenance Team, including the Direct Labour Organisation (DLO), attended a

series of interviews with HQN. These were mainly on a 'one-to-one' basis. The purpose of these interviews was to gain an understanding of how the service was operated, managed, delivered and perceived by those who managed and delivered it. The interviews also gave interviewees the opportunity to offer their own individual and subjective assessment of the service and how it could be improved. In addition, there were a number of individual or one-off conversations and discussions with members of the IT and Finance Teams to clarify a number of issues and performance information.

- 4.4 Stage Four of the review included two focus groups. The first was with a group of Council tenants and aimed to gain an understanding of how the range of repairs and maintenance services are perceived from the tenants' perspective. To obtain qualitative information about how the service is rated by tenants, they were asked to score responsive repairs and gas servicing against a range of criteria
- 4.5 A second focus group was held with a group of trade operatives. This focus group's key objectives were to understand the operatives' perspective of current working arrangements in delivering and organising the responsive Repairs Service and to obtain their opinion on ways in which the service can be developed. This group also considered the overall approach to health and safety and training
- 4.6 Key findings and themes from the data benchmarking, interviews and resident focus group were presented to senior staff at an initial feedback session on 6 August 2018. Following this a report was drafted for further comments setting out HQN findings and recommendations. The final report was received in January 2019.
- 4.7 The overall conclusion of HQN, is that whilst a range of service improvement measures are required to bring the service up to current best practice standards, good step changes to the service have been achieved over recent months. Particular major improvements have been achieved around stock condition data, risk assessments, health and safety, contract management and some work-flow and process-mapping. Many of the areas for improvement that have been identified in this report will be addressed by the implementation and detailed service specification of mobile working. The key findings are:
  - The Council's housing dwelling stock is its largest single asset (valued at circa £123 million) and strategic asset management policies and procedures to protect and potentially enhance that asset need to be developed further.
  - At a strategic level, stock condition data is not fully up-to-date although measures are now in place to rectify this.
  - A fully funded three to five-year investment programme needs to be developed based on an updated Housing Revenue Account (HRA) business plan and an Asset Management Strategy predicated on robust stock data
  - Further investment in IT presents a major opportunity to modernise the service. On a cautionary note, the introduction of mobile working alone will not address some issues that have been incorporated in the improvement plan for the service.
  - Repairs and Maintenance Service Standards in general need to be updated and a comprehensive suite of Repairs and Maintenance Service Standards and workflows developed. Much of this will be addressed by the introduction of mobile working.
  - There is a high use of external contractors which could be reduced. This provides an opportunity to grow and develop the in-house service which, if properly planned will add value to the local economy, the local supply chain and offer wider local employment opportunities.
  - The gas servicing contract is achieving good performance with 100% compliance being reported for the landlords' gas safety certification. However, a number of

concerns have been identified in the processes including the Council's over reliance on the contractor for its records, quality control and monitoring information.

- High levels of emergency and urgent repairs are being raised. A strategy for reducing them should be developed.
  - A change in the overall approach to the collection of Key Performance Indicators (KPIs) and their use to assist in developing the service is recommended.
  - Pre-inspection and post-inspection arrangements are weak and underdeveloped with limited data and performance information. Post-inspection information is not generally used to help improve the service.
  - Contract management arrangements for both the repairs and maintenance and investment contractors are underdeveloped. However, there is good evidence of the recent introduction of improved leadership and control of management of external contractors.
  - The Council needs to invest more in training trade operatives and technical staff to better equip them to undertake a wide range of roles and responsibilities that will be needed as the service moves towards a more modern and dynamic service delivery model. HQN recommended that a review of salaries is undertaken to ensure that salaries being offered to trade operatives are in line with market salaries in the sector compared to other housing associations and local authorities in the East Midlands.
  - Overall residents were generally happy with the quality of the responsive repairs service delivered by the DLO. In general, Council staff and DLO operatives were well regarded and residents appreciated being dealt with by a person (call centre telephone staff or contractor operative) rather than a voicemail message or email. In general residents had a good understanding of the services they were asked to rate. They were much more satisfied with the in-house contractor compared to external contractors.
  - The Council's IT systems are limited and underdeveloped. Many of the Repairs Service's processes are unnecessarily complex, manually intensive and laborious. The high level of manual input can lead to inconsistencies, duplication and errors. Processes around the job completion and matching of materials to works orders are particularly time-consuming and repetitive
  - HQN recommended that the asset management strategy is updated using this new stock data particularly in regard to revised stock investment requirements and the way in which the Council will address its future investment in its dwelling stock. As part of this updated asset management strategy the Council may need to consider using more sophisticated asset management software to enable it to better model ranges of improvement scenarios.
  - Linked to the introduction of mobile working, carry out a restructuring of the whole service including the Administrative Team to create, a cohesive service and the posts of the planner/work scheduler to manage operative diaries and appointments, etc.
- 4.8 A detailed improvement plan, with prioritised objectives and targets has been developed which if implemented will achieve a step change in modernising the service. This is attached at Appendix

## **5.0 Financial Implications**

- 5.1 The financial implications of implementing mobile working were identified in the report to Housing and Community Services Committee in April 2017 as ". A procurement exercise has not been undertaken, but three initial quotes for mobile working have been obtained from different suppliers to provide an indication of the potential cost of set-up and on-going support. The three quotes obtained range between £43,125 and £74,905 for initial set-up with on-going annual costs from year 2 ranging from £5,856 to £23,680. It is anticipated that savings in the first year of

implementation could be up to 15% of budgeted contractor spend due to efficiencies and better productivity but this is still to be reviewed and so is not for consideration at this stage.”

- 5.2 In order to purchase asset management and contract management software it is estimated that a further sum of approximately £55000 will be required. There may be other financial implications that arise from the development of asset management and procurement strategies recommended in the review. These will be reported separately.

## **6.0 Corporate Implications**

### **Employment Implications**

- 6.1 A further report will detail the proposed changes to the structure of the Repair and Maintenance Team. Any changes will be subject to consultation with relevant staff and Trade Unions.

### **Legal Implications**

- 6.2 None associated with this report

### **Corporate Plan Implications**

- 6.3 The report and action plan contributes directly to the achievement of Corporate Plan Action O5 Maintaining Customer Focus - “Delivering a First Class Repairs Service”

### **Risk Impact**

- 6.4 The implementation of the recommendations in the report will assist in mitigating the Service Delivery Risk SD3 Safety Standards

## **7.0 Community Impact**

### **Consultation**

- 7.1 The review process included direct consultation with tenants. It also considered customer satisfaction data.
- 7.2 Consultation with team members from all sections of the Repairs and Maintenance service was also included within the review process

### **Equality and Diversity Impact**

- 7.3 There is no direct impact on any Equality and Diversity issues within this report.

7.4

### **Social Value Impact**

- 7.5 The implementation of this report will support the delivery of Safer and Stronger communities through ensuring the provision of safe and secure homes.

### **Environmental Sustainability**

- 7.6 The recommendation within the review to implement mobile working will improve the Council's Environmental Sustainability through reducing the mileage and fuel consumption of Housing DLO vehicles.

## **8.0 Conclusions**

- 8.1 That progress has already been made in many areas identifies within the HQN review.
- 8.2 That the implementation of the three-year action plan is necessary in order to meet the Corporate aim of providing a modern and efficient Repairs and Maintenance Service.

## **9.0 Background Papers**