

## **Report to Housing and Homes O&S Committee**

### **Contract for the provision of Responsive Repairs & Maintenance Services, Gas Servicing, Capital Improvement Work Programmes including Major Adaptations to Council Housing Stock**

#### **1) General Overview**

The outcome of the procurement process resulted in three contractors being appointed, two of which were new to the city for delivering the repairs and gas servicing/maintenance elements of work. These are Wates Living Space and Keepmoat Regeneration whilst Fortem (previously known as Willmott Dixon Partnerships) continue but with the new addition of gas servicing/maintenance.

We have now completed the first year of new changed contract provision for the following service; Responsive Repairs & Maintenance Services, Gas Servicing, Capital Improvement Work Programmes including Major Adaptations.

There has been a real drive on the part of the contractors to succeed and perform at the highest level whilst facing the challenges of implementing new systems, technology and the new My Homes service ethos. Whilst the intent to succeed is not yet being fully realised across all aspects of the contract, service improvements are already being experienced in the following areas.

Flexible repairs appointment booking

Reduced void turnaround times

Improved customer service

Reduction in the number of complaints received

Reducing level of follow up phone calls

Co-located joint working between contractor and the call centre

We will also achieve significant savings over the first four years of the contract between 3.8m and 6.5m per annum.

To ensure the successful delivery of the Repairs and Maintenance service to a total of 62,616 homes, the contracts have the following resources in place:

- **Keepmoat** – 76 Vans and operatives / 32 staff
- **Wates** – 268 Vans and operatives / 127 staff
- **Fortem** - 176 vans and operatives / 80 staff

## 2) Reported Performance

Recorded performance against Key Performance Indicators (including Birmingham Promise and High Level KPI's) (Appendix 1) generally shows an upward trend throughout the year. The contract management team's focus is for continual improvement throughout year 2.

Since the start of the contract there has been;

- **262,224** Responsive and gas repair jobs raised across the city.
- **100%** Gas servicing reported across the city
- **1297** Fire Protection works
- **14225** Electrical test and inspect carried out.
- **5937** planned capital improvements were delivered to homes across the city.
- **383** Kitchens
- **419** Bathrooms
- **2308** Central Heating boilers
- **1072** Windows
- **1212** Doors
- **451** Roofs
- **92** Soffits and fascia's
- **4089** void refurbishments completed across the city.

### Other Indicators

General feedback from Housing Liaison Boards members and our call centre has been positive

Responsive and gas repairs jobs raised across the City showing a reduction.

2014/15 285,260

2015/16 280,096

2016/17 262,224.

We are giving customers greater choice in terms of the appointment slots that suit them. To achieve first time problem resolution we have introduced a Housing

Resolution Team jointly staffed by the contractors and the Contact Centre, this has reduced the follow up calls.

All contractors provided and delivered their winter plans and have responded well to inclement weather incidents and emergency situations. Positive feedback is being received in respect of capital investment work including provision of major adaptations.

Monthly meetings of the new joint Service Improvement Group have resulted in a number of agreed joint task and finish groups to develop further service improvements and enhancements.

Contractors are co-located with our contract management teams to improve joint working.

### **3) Business Charter**

A series of positive actions and achievements listed below have been made by the contractors against the targets in their individual Birmingham Business Charter Action plans.

#### **Fortem Key Achievements**

- Supported HLB events such as digital inclusion
- Fundraising activities that have accumulated more than £5,000
- 8128 hours of work experience to 188 people in Birmingham
- 5 Apprentices in 2016 and looking to recruit a further 10 in 2017
- 22 Career fairs
- Recruited 4 management trainees working in Birmingham contract in 2016 with a further 3 planned for 2017
- Carried out wide variety of community projects with an investment figure of nearly £400,000
- £1million spent with local and small businesses

#### **Wates Key Achievements**

- 1442 hours into volunteering in the local community
- Over £80,000 invested to local charities / community causes
- £251,000 investment into training local people
- 443 training/employment weeks created for local people
- 2290 hours invested in supporting local people
- Invested £679,000 into social enterprises
- £7.8 million has been spent with local small businesses
- Wates have invested in a mentoring programme to support the development of trainees
- 12 apprentices employed from the local area

## **Keepmoat Key Achievements**

- Various community projects supported with over 30 workshops being delivered to local schools
- 607 voluntary hours and fundraising to support local communities
- 10 apprentices appointed
- 168 local students have benefited from CV/Interview workshops
- 22 work placements provided (44 weeks' worth of placements and experience)
- £996,534.21 of spend is with local SME's
- 95.19% of employees live within 30 mile radius of Birmingham
- 91% (approx. £5.9million) spend is with 28 local suppliers within a 30 mile radius of Birmingham
- Keepmoat have worked with Find It In Birmingham to hold Meet The Buyer event.

## **4) Contact Centre**

### **Repairs Reporting Telephone Number has Changed**

As part of the wider City Council's savings initiatives, the 0800 number has been withdrawn from use on 1<sup>st</sup> April 2017. A recorded message advising of the new repairs reporting number **0121 216 3330** will be available when customers call the existing 0800 number, between March and July 2017.

All of our customers have been advised in writing and our website has been updated to reflect the telephone number change along with any associated literature.

This has resulted in savings of £100k in the first year rising to circa £150k thereafter.

## 5) Capital Investment

2016/17 has been a successful first year of a new contractual and delivery arrangement of circa £54 million programme. In addition we have completed a range of schemes completed below.

### a) Chamberlain Gardens

We will complete external refurbishment of Chamberlain Gardens, 7 high rise blocks on an estate behind the old children's hospital, which have benefitted from reroofing, insulation and improved heating and there is an on-going programme of communal decorations/refurbishment to the internal areas to compliment the external works.

Before:



After:



### b) High Rise Investment and Planning

We are currently developing a scheme of works for three pilot areas (Mill House, Coney Green House, Wyrley House) to deliver structural investment to Large Panel System blocks. This will inform future investment needs for high rise Large Panel System blocks. The initial intrusive investigation works are planned to start in April 2017.

### c) Poets Blocks

These were the pilot blocks at which we fundamentally changed the quality and standard of works to the external facades and the internal communal areas.

Before:



After:



Internals;



**d) Low Rise Investment and Planning**

We are currently developing a scheme of works to improve internal and external appearance and carry out structural repairs and improve thermal efficiency to reduce fuel poverty, to low rise properties of varying construction types. We are developing a scope of works per construction type and intend to pilot this approach in three areas; Hollybank Road, George Road, Holden Close and The Heathway. We intend to roll out this programme over the next five years to provide much needed investment to low rise properties.

**e) Bell Lane**

We are currently working in partnership with housing services to develop a scheme of works to carry out internal and external structural repairs and improvements to walkway, communal areas and general external environment. We plan to start work September 2017.

**f) Rea Street**

We plan to deliver external improvements and structural repairs to flats in Rea Street, which are above Digbeth Coach Station in a high profile location. The flats will have a new insulated roof, external wall insulation, redecoration, new double glazed windows which will dramatically improve the external appearance of the building to complement the existing redevelopment.

**g) Inkerman House**

We are currently developing a scope of works to deliver external improvements and structural repairs to Inkerman House.

**h) Druids Heath Master Plan**

We are working in conjunction with Landlord Services, Development and Regeneration, Education and Transport to develop future regeneration to the Druids Heath Estate.

**6) Sustainability Team**

We have worked closely with the Sustainability Team within the Economy Directorate (Dr Jackie Homan and Richard Rees), to ensure any activity we carry out complies with the City's carbon road map and green commission. This has culminated with joint working which has funded (at nil cost to the City) the installation of passiv haus to two residential properties in the City. The intention, subject to a

study through the University of Birmingham, is that the occupants will achieve an 80% reduction in their energy bills.

### **External Projects**

Additional funding has been successfully obtained by working with Repairs partner Wates and Eon Energy Services. This has resulted in two phases of external wall insulation being applied to approximately 160 non-traditional construction properties in Shard End that are classed as hard to treat.

### **Celebrating Success**

An emphasis will be placed on securing the thoughts and opinions of our residents following the capital investment works being delivered.

Below is one such example that formed part of information provided to the media.

#### **Marie and Henry the Dog in Their New Kitchen.**



A news article was released that supported this image and the link to this article is attached.

<http://birminghamnewsroom.com/183-million-investment-for-birmingham-council-housing/>



## **7) Future Challenges**

- Continue to meet our statutory obligations under housing legislation, e.g fire protection, legionella, electrical test and inspect and gas servicing, heating and hot water etc.
- Carrying out full stock condition surveys to 100% of our properties to ensure we have detailed and accurate up to date asset information to allow future capital investment planning.
- Increase the ratio of planned maintenance against a reduction in the number of responsive repairs.
- To replace kitchens and bathrooms
- To carry out structural works to prolong the life of high rise and low rise properties.
- Developing programmes on an invest to save arrangement
- Improving levels of thermal efficiency, including where possible the assistance of grant funding
- Providing aids and adaptations to assist residents to live more independently at home.
- We aim to ensure that all of our stock meets a minimum requirement of energy efficiency that will not exceed a D rating.

## **8) Conclusion**

Overall in the short life of the new contracts so far, much has already been achieved especially given their scope, relative uniqueness nationally and with new contractors.

Whilst some of this ambition has yet to be fully realised the new contracts are driving the required culture change to improve the service for our customers.

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## **Appendix 1**

### **Year End Contract Performance**

For each contractor KPI, a performance **target** and a **standard** target has been set. The performance **target** is where the contractor has achieved or is above target. The **standard** target is an acceptable level of required performance.

#### **High Level KPI 2 – Percentage of right to repairs jobs completed on time**

Target 92.6%

Standard 87.9%

	YTD
City	87.6%
Keepmoat	89.0%
Wates Central	87.5%
Wates East	88.3%
Fortem	86.7%

#### **Commentary**

Throughout the year there has been an improving theme across all contracts. We continue to work with the contractors on a weekly basis to improve performance and the year to date performance for the City is within 0.3% of achieving standard. For quarter 4, three out of the four contracts were achieving standard.

#### **High Level KPI 1 - Percentage of gas servicing completed against period profile - snapshot figure**

Target 98.0%

Standard -

	YTD
City	100.0%
Keepmoat	100.0%
Wates Central	100.0%
Wates East	100.0%
Fortem	100.0%

#### **Commentary**

All contractors are above standard and were monitored closely and achieved the target of 100% gas servicing at year end.

**Birmingham Promise 1 – We will respond to emergency repairs in two hours**

Target 98.1%

Standard 94.9%

	YTD
City	78.5%
Keepmoat	86.7%
Wates Central	85.1%
Wates East	85.3%
Fortem	64.5%

**Commentary**

Throughout the year there has been an improving theme across all contracts. Although the year to date performance across the city is showing as red, quarter 4 performance shows that three out of the four contracts are above standard target and the contract below target has also shown significant improvement. We continue to work with the contractors on a weekly basis to improve performance.

**Birmingham Promise 2 – We will resolve routine repairs within 30 days**

Target 92.6%

Standard -

	YTD
City	94.6%
Keepmoat	95.2%
Wates Central	95.0%
Wates East	95.2%
Fortem	93.6%

**Commentary**

All contractors are exceeding target.

**KPI001 - Customer Satisfaction**

Target 95.1%

Standard 92.9%

	YTD
City	99.8%
Keepmoat	99.9%
Wates Central	99.7%
Wates East	99.9%
Fortem	99.7%

**Commentary**

All contractors are currently exceeding target. With the introduction of the new contract, all customers who wish to express an opinion are now able to complete a customer satisfaction survey upon completion of a job.

## **Voids**

Void repairs turnaround time scales are much improved over previous contracts. It should also be noted that these targets have been built by reviewing previous performance levels. Performance outturns for year end;

- 30.3 days for the overall average (key to key) turnaround against a 33 day corporate standard, with March performance at 28.7 days
- Available council homes as a proportion of council stock is at 99.7% against a target of 98.8%
- The average time taken to complete repairs reduced to 15.4 days compared to 21.2 days.

## **KPI002 - Work orders completed within timescale**

Target 92.6%

Standard 87.9%

	YTD
City	88.6%
Keepmoat	91.0%
Wates Central	87.3%
Wates East	89.8%
Fortem	87.4%

## **Commentary**

Throughout the year there has been an improving theme across all contracts. We continue to work with the contractors on a weekly basis to improve performance and the year to date performance for the City is achieving standard. For quarter 4, two out of the four contracts were achieving standard, with the other two contracts within 0.6% of standard.

## **KPI007 - Appointments made**

Target 98.1%

Standard 94.9%

	YTD
City	96.1%
Keepmoat	97.0%
Wates Central	95.2%
Wates East	96.9%
Fortem	95.5%

## **Commentary**

All contractors are achieving standard.

**KPI008 - Appointments kept**

Target 98.1%

Standard 94.9%

	YTD
City	79.8%
Keepmoat	88.6%
Wates Central	78.7%
Wates East	80.4%
Fortem	76.3%

Commentary

Performance has improved across all four contracts with one of the contracts achieving standard in quarter 4. For the remaining 3 contracts quarter 4 has shown a continual improvement on previous quarters. It should be stressed that actual repairs completion on the appointed day is not an issue, however, we are working with all contractors to improve performance with respect to operatives attending within the customer requested time slot. Weekly meetings are held with each contractor and improvement plans have been drawn up and are currently being implemented.