

HOUSING MANAGEMENT CONSULTATIVE COMMITTEE

Agenda Item 94

Brighton & Hove City Council

Subject: Housing Repairs and Improvement Strategic Partnership Progress Report

Date of Meeting: 10 May 2010

Report of: Director of Housing, Culture & Enterprise

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Key Decision: No

Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The new Housing Management Repairs & Improvement Partnership with Mears Limited commenced on the 1st of April 2010. The partnership is central in delivering better value for money to enable the council to invest more in the maintenance and improvement of the homes it manages.

2. RECOMMENDATIONS:

- 2.1 That Housing Management Consultative Committee note progress made on delivering the new Repairs & Improvement Partnership.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

3.1 Background

- 3.1.1 The award of the partnership contract to Mears Limited was agreed by Cabinet in July 2009. The partnership covers the whole city and includes all responsive repairs, most planned works (such as kitchen and bathroom replacements) and repairs to empty properties. Some council staff including the surveying team and Repairs Desk (repairs call centre) have been transferred to Mears.
- 3.1.2 The contract excludes gas installation and maintenance (gas in the east of the city is covered by Mears and in the west by PH Jones under separate partnering contracts) and other service contracts such as lifts, water tanks and pumps, fire safety equipment, ventilation fans, lightning conductors, door entry systems and CCTV which will be tendered separately, although it is an intention to align the duration and key outputs of these contracts with the partnership.
- 3.1.3 As well as aiming to provide better value for money, and improve customer service and the quality of works, the partnership will bring significant added value benefits in this city. These include:

- 200 apprenticeships over the 10 years of the partnership (twice the industry average)
- A variety of other training and work experience opportunities
- A kitchen manufacturing workshop
- A training academy

3.1.4 Mears brought in an experienced team to organise and manage the mobilisation process from their side including experts in project management, procurement, ICT, HR, transport fleet and buildings. These staff, along with others from the Brighton & Hove branch worked closely with council officers in order to plan and undertake the tasks necessary for a successful start to the new partnership. Mears have provided a comprehensive training programme for the transferring staff to ensure that they are up to speed with the new ICT systems, customer care standards and other procedures that they will be operating.

3.1.5 The partnership got off to a good start on the 1st of April with Mears well prepared with additional operatives and van fleet. The new technology infrastructure worked effectively (ICT system, phone and data lines). All transferring council staff and operatives transferred successfully and are mostly positive about the transition.

3.1.6 There has been a high number of calls to the Repairs Desk in the first weeks of the Partnership (possible due to the publicity with flyers sent to all homes), this has occasionally led to some extended call waiting. Mears are tackling this by ensuring that they have additional people answering calls and more are on hand if necessary. They have also taken steps to increase the speed at which calls are resolved. Mears are already looking to make some quick changes to the telephone system and working methods, to improve on previous response times and enable the team to work more effectively.

3.1.7 A change of this size inevitably brings a number of 'teething problems'. The council has been pleased with Mears quick response to issues as they have arisen, and is appreciative of the patience of residents and staff in helping the partnership to identify problems and tackle them effectively. Issues have included difficulties some residents have had contacting particular officers that they have become used to contacting directly. Many members of staff roles have changed with the transition and it is therefore important that repairs are reported and chased through the Repairs Desk; this enables all contacts to be logged and directed to the correct teams. A communication will be sent to all resident representatives clarifying new roles, responsibilities and contact details.

3.1.8 The partnership will enable the council to bring more homes up to the Decent Homes Standard by providing better value for money. The council has established a three year planned programme of works and this will ensure that 75% of homes meet the standard by March 2011. Progress will be robustly monitored to ensure that the programme is on track. The council aims to achieve the Decent Homes standard for all properties by the end of 2013.

3.2 Property & Investment Service

3.2.1 The retained Repairs and Maintenance service has been restructured to ensure that staff roles and responsibilities enable effective management and monitoring of the new contracts. The new Property & Investment Service is made up of five-specialist teams who work collaboratively, these are:

- Finance Team
- Partnering & Performance Team
- Asset Team
- Contract Compliance Team
- Mechanical & Electrical Service Team

3.2.2 This structure will deliver a consistent and sustained high level of quality service delivery, performance and customer satisfaction. In particular, the structure recognises the requirement for increased and improved:

- Strategic management
- Effective, efficient, quality partnering
- Operationally managing quality inputs and outputs
- Contract monitoring, control, compliance and improvement
- Tenant/leaseholder involvement, engagement and inclusion
- Improved levels of self management within the structure

3.2.3 The service will work collectively to provide a leading social housing property improvement and investment service. As such, roles within the teams have suitably qualified, skilled and competent staff that have the necessary and appropriate technical and operational experience, customer focus, and core business acumen.

3.2.4 The residents that have been trained to be 'mystery shoppers' will play a key role in rigorously testing performance and customer service to ensure that they are of an excellent standard. A mystery shopping exercise will take place in the early summer to test the repairs desk effectiveness.

3.3 The housing supercentre

3.3.1 Planning permission for a 'Supercentre' to house the partnership in the Fairway Trading Estate on Moulsecoomb Way has now been achieved. This means we can now start work on this exciting development turning it into a state of the art operations centre for the partnership. The plan is to locate the retained council staff in this building as well as Mears, and to open the building for September 2010.

3.3.2 This is an exciting opportunity that brings significant benefits to the council and residents, as well as 'added value' benefits to the wider community and city. The proposed centre will provide an integrated approach to the maintenance and improvement of the council's housing stock, including:

- A Resident Action Zone to enable residents to play an active role in the management of the partnership
- Co-location with BHCC's retained staff
- Integrated customer access
- Co-location of supply chain partner with on-site stores
- An onsite training academy for trade apprentices
- An onsite kitchen manufacturing workshop

- 3.3.3 The site in Moulsecoomb also has potential to bring investment, regeneration, employment and training opportunities. Links have been established with the 'Turning the Tide' social exclusion initiative which is being piloted in Moulsecoomb and Bevendean.
- 3.3.4 The super centre will deliver improved customer service with a single point of contact for all repairs related enquiries. The Repairs Desk will move from their location in Bartholomew House to the super centre enabling the staff to work more closely with surveyors and operatives to resolve issues more quickly and effectively than current arrangements allow. The centre will have an option to provide 'showroom' space to enable demonstrations and product choices for residents (e.g. different styles of kitchens and bathrooms). The super centre will enable residents to become more involved in the management and monitoring of the contract with a dedicated area within the building to enable them to fully participate in the partnership.

3.4 Next Steps

- 3.4.1 The partnership will continue to develop with a focus on ensuring that customer service is improved and that planned works are completed within target. A Partnership Development Plan has been agreed in order to ensure that key commitments are realised. This is linked to a Partnership Cost Reduction Plan which will make sure that the anticipated savings are achieved and that the partnership is focused on making ongoing efficiency savings. Progress against these plans will be monitored by the Core Group.
- 3.4.2 Brighton & Hove was given an Audit Commission 'Red Flag' for Decent Homes in their 2009/10 Comprehensive Area Assessment. The council anticipate that the partnership will support it in bridging the investment gap to achieve Decent Homes Standard which was left following the outcome of the tenants' stock transfer ballot. The Audit Commission will be reviewing the partnership between May and July 2010 to ensure that the partnership and associated business plan projections are robust and realistic.

4. CONSULTATION

- 4.1 Residents have been actively involved through the Asset Management Panel and Repairs & Maintenance Monitoring Group (RMMG). Residents, Mears and council officers have presented to Area Panels and Housing Management Consultative Committee to update them on progress with the procurement and mobilisation. Residents attend the Core Group meeting which oversees the strategic direction and operational effectiveness of the partnership. Two Partnership Workshop events were held in October which involved staff from Mears and the council working with residents to look at how the partnership best meet their needs and aspirations.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The costs of the Housing Repairs and Improvement Strategic Partnership have been included in the 2010/11 HRA Revenue Budget and the three year Capital Programme as approved at Cabinet on 11 February 2010. Future savings targets

will be monitored and driven through the Partnership Cost Reduction Plan and incorporated into future Budget Reports.

Finance Officer Consulted: Sue Chapman

Date: 27 April 2010

Legal Implications:

- 5.2 As the contract with Mears Limited was for a value in excess of £75,000, the council's Contract Standing Orders required it to be in a form approved by the Head of Law and under the Common Seal of the Council. The contract was duly sealed in March 2010. The planning permission referred to in 3.3.1 is subject to a number of conditions which need to be complied with before the Supercentre can be occupied. The Council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendation in this report

Lawyer Consulted:

Liz Woodley

Date: 23/04/10

Equalities Implications:

- 5.3 An equalities impact assessment (EIA) has been completed as part of the procurement and mobilisation process. A further EIA will be completed now that the partnership has commenced.

Sustainability Implications:

- 5.4 A new contract of this size has potential to impact on the city's environment and carbon emissions. The partnership will aim to minimise its impact on the environment by reducing waste and minimising carbon emissions from its operations.
- 5.5 The partnership will also aim to help residents cut down on energy and water bills by the provision of energy advice and information packs. The partnership is also looking to improve properties by participating in schemes that will improve the energy efficiency of homes and utilise renewable energy sources.
- 5.6 The partnership is committed to re-furbishing the Supercentre building to a high sustainable standard to minimise its carbon emissions. Potential for onsite renewable micro energy generation are currently being investigated. The proposal for an onsite kitchen manufacturing workshop has the potential to bring sustainability benefits in terms of material use, reduced transportation and local employment.

Crime & Disorder Implications:

- 5.7 The partnership will bring added value benefits which provide community and regeneration benefits to the city. The provision of apprenticeships, onsite training academy and kitchen manufacturing workshop will bring employment and training opportunities for local people including those that are not in education, employment or training.

Risk and Opportunity Management Implications:

- 5.8 A comprehensive risk register is overseen by the partnership Core Group.

Corporate / Citywide Implications:

- 5.9 The contract has the potential to bring significant benefits to the city and its residents. It is also important that a contract of this size does not have a negative impact on established local businesses.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Alternative options including frameworks, consortia and supply chain clubs were considered as part of the development of the Procurement Strategy. The outcome of the procurement process has been assessed against the costs of keeping contracting arrangements as they are now (i.e. doing nothing) and establishing an in-house Direct Labour Organisation.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The new partnership enables Housing Management to meet the key objectives of the Procurement Strategy which was agreed in April 2008. The new contract is key to enabling the council to have a sustainable 30 year Business Plan for the housing stock and bring the maximum number of homes to the Brighton & Hove Standard (exceeding the Decent Homes standard).