

PRINCIPAL SCRUTINY COMMITTEE

4 December 2006

CABINET

13 December 2006

DEPOT SERVICES CONTRACT – HALF YEAR REVIEW

REPORT OF DIRECTOR OF COMMUNITIES

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RECENT REFERENCES:

PS235 Depot Services Contract – Review of 2005/6 – 5 June 2006

EXECUTIVE SUMMARY:

This report brings together performance data from the Depot Services Contract for the six-month period April – September 2006 inclusive. It follows on from the previous report PS235 on contractor performance and aims to meet Principal Scrutiny Committee's request to monitor and hold the Contractors and Clients to account for delivering key services to the community. This report shows that operational performance is largely meeting Contract Performance, with the exception of Void Property reinstatement. Details of performance and alternative proposals to carry out these works are given in the Exempt Appendix 3 of this report.

RECOMMENDATIONS:

1. That the contractor performance information contained within the Report be noted
2. That the action of the Authorised Officer of the Depot Contract in relation to Void Housing performance, as set out in Exempt Appendix 3 of the Report, be endorsed.

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DETAIL:

1 Introduction

- 1.1 This report is part of the regular reporting of contractor performance of the 'Depot Services' Contract and covers the first six months of this municipal year.
- 1.2 Following the consideration of the previous report in June 2006, discussions have taken place with the Chair of Principal Scrutiny Committee in accordance with the decision of the Committee, over the level of detail contained in this report. Members will note a reduction of the detailed information in the body of the report, some of which is contained in the Appendix for information and completeness, but there is more detailed consideration given to the one area of performance that is still giving rise to concern, namely Housing Voids reinstatement.

2 Overview for Non Housing Activity

- 2.1 In general the performance of Serco in the areas of the Contract, other than Housing Voids reinstatement, is largely meeting the agreed targets.
- 2.2 Grounds Maintenance: There has been significant improvement in performance on City Council owned land, including parks, cemeteries, grass verges and all other plant and shrub beds associated with this land.

It has not been necessary to issue any default or rectification notices and anecdotally there have been compliments submitted by residents and Parish Councils. Negotiation with Hampshire County Council on Highway Maintenance grass cuts have begun for 2007/08 year.

- 2.3 Environment Management: The contract areas relate to kerbside refuse collection and recycling, street cleansing including litter clearance, street sweeping and leaf clearance and public convenience cleansing. Performance indicators generally relate well to the Best Value indicators against which the City Council is held accountable, e.g. percentage of household waste recycled, cost of waste collection per household, etc. but there are also local indicators more relevant to Serco performance, e.g. the number of missed bins. Performance is in the top quartile for missed collection performance and is beating the Council's own target. Pest Control met their targets for responding to requests and there are very high public satisfaction levels with refuse and recycling services.

- 2.4 Levels of performance in the refuse collection/recycling area remain high and are improving at present. However, it is expected that there may be some reductions in levels of satisfaction and missed bins during the roll out of the Alternative Bin Collection (ABC) Scheme. One warning notice was served in relation to early morning collections which were causing disturbance to some residents.
- 2.5 Street cleansing performance remains at a high level with very few complaints. The variation notices issued relate to changes in areas to be cleansed. The numbers of complaints relating to public conveniences is still increasing and is now above the LPI target. The complaints mainly concern the structural condition of the premises rather than cleansing standards and the majority relate to the Abbey Gardens convenience which will be considered for refurbishment as part of the 2007/08 capital programme.
- 2.6 Serco continue to perform well on the roll out of the ABC scheme across the District. The project plan is on schedule with bin deliveries completed as planned. Phase 1 will commence operation on 15th January 2007 and the delivery of bins to Phase 2 shortly thereafter with collections commencing in June/July 2007.

3 Housing Performance

- 3.1 Operational performance against defined performance targets has never, over the term of the contract, been fully met. Current operational performance, particularly since June this year, has been the subject of a further round of negotiations with Serco following a restructure of their Supervisory and Management Team that administer and control the day to day repairs and void reinstatement works.

The tables below give the first six months performance for 2006/2007 against the key performance indicators contained within the Housing elements of the Contract. These include repairs completed within target, job priority response target times, repairs appointments cancelled, customer comments and void property reinstatement target times. Although there are problems highlighted in this report it is not the same throughout Serco's housing operations. Overall performance on day to day repairs taken on average over the period is considered satisfactory with performance outputs at worst being within 6% of targets. A summary of the Void reinstatement works carried out by Serco is given in Exempt Appendix 3 of this report.

Over-target Responsive Repairs	Total	Comments
Average weekly over-target jobs	20	Performance is only just short of the target, and continues to be within acceptable limits.
Average weekly live jobs	634	
Average weekly % over-target	3%	
Performance Target (<=2%) achieved?	No	

Priority Response Times	% within target	Comments
Emergencies/call-outs	98%	Serco continue to respond well to emergencies and call-outs. The targets in the other priorities are still not being achieved, but performance in more recent months is promising.
Urgents	93%	
12 day routine	94%	
30 day routine	92%	
Average overall	94%	
Performance target (98%) achieved	No	

Appointments Cancelled (Reason)	Total	Comments
Materials not in	4	Performance is only just short of the target, and continues to be within acceptable limits.
Serco resource issue	143	
Tradesman sick	10	
Missed appt. - no contact	34	
Missed appt. - phoned in	19	
Total	210	
% cancelled appointments. (of total completed excl. emergencies/call-outs)	4%	
Performance Target (<=2%) achieved)	No	

Comments/Complaints	Total	Comments
Total Comments received	1752	Performance target achieved - tenant satisfaction levels remain high.
Positive comments	1691	
Negative comments (complaints)	61	
Total jobs completed during period	7341	
% of complaints (of total number completed during period)	1%	
Performance Target (<=2%) achieved?	Yes	

4.0 Conclusion

- 4.1 All major parts of the contract are generally performing well and the stance taken by Serco on the Recycling Pilot continues to be good.
- 4.2 In relation to Void Property Reinstatement Works (as part of the Housing Repairs Contract) details of alternative working practices are set out in Exempt Appendix 3 of this report.

OTHER CONSIDERATIONS:

5.0 CORPORATE STRATEGY (RELEVANCE TO):

- 5.1 Effective delivery of the Depot Services Contract is crucial if the Council is to meet a number of its key priorities. In 'Safeguarding our High Quality Environment for the Future' this area of activity relates to the sustainable use of resources; protecting biodiversity and increasing residents pride in place. It also contributes to the agenda that is making working practices fit for the 21st Century.

6.0 RESOURCE IMPLICATIONS:

- 6.1 There are no direct resource implications as a result of this report. Action is being taken to recover lost rent where the return of Voids to the Council has impacted on house lettings.

BACKGROUND DOCUMENTS:

Service Contract 7 and Serco Proposals for the Provision of Depot Service

APPENDICES:

- 1 Sewage Treatment Works Performance
- 2 Environmental Services Performance
- 3 Void Property Reinstatement Works Performance - EXEMPT

Appendix 1

Sewage Treatment Works Performance

STW	Location	April 06	May 06	June 06	July 06	Aug 06	Sept 06	Oct 06
Beech Grove	Owslebury	F	P	P	P	P	P	P
Birch Hill	Boarhunt	P	P	P	P	P	P	P
Elm Crescent	Upham			P	P	P	P	P
Hobbs Close	Bishop Sutton	P		P	P	P	P	P
Kiln Lane	Old Alresford	P	P	P	P	P	F	P
Long Priors	West Meon		P	P	P	P	P	P
Oak Close	Upham				P	P	P	P
Southbrook Place	Micheldever	P	P	P	P	P	P	P
The Brook	Old Alresford	P	P	P	P	P	P	P
The Park	Droxford	F	P	F	P	P	P	P
The Pastures	Cheriton	P	P	P	P	P	P	P
Widley Walk	Widley	F	P	P	P	P	P	P
Wine Cross	Boarhunt	P	P	P	P	P	P	P
Woodlane Close	Bramdean	P	P	P	P	P	P	P
Woodlark Cottis	Bighton			F	P	P	P	P

Number of Passes	8	11	12	15	15	14	15
% of passes against tested	66.7%	91.7%	85.7%	100.0%	100.0%	93.3%	100.0%

F = Fail**P = Pass**

Notes: The septic tanks at Oak Close, Elm Crescent and Woodlark Cottages have been replaced with mini treatment works this year and the gaps in results indicate the new systems coming on stream.

The works at Long Priors and Hobbs Lane were not tested because of low flow.

Environmental Services Performance

Appendix 2

Grounds Maintenance

KPI/Target	Actual Performance
Defaults Issued	0 (Value £0.00)
Rectification Notices Issued	0 (Value £0.00)
No of action notes issued	27
No of Permanent variations	21
No of Temporary variations	50

Refuse

KPI/Target	Actual Performance
KPI - No's of missed collections per 100,000 (target <20 per 100,000)	16.57
KPI – No's of other justifiable complaints excluding missed bins – no target defined	284 (increase of 166 this Qtr)
Defaults Issued – no target defined	1 (warning notice)
No of Permanent variations – no target defined	1
No of Temporary Variations – no target defined	1

Street Cleaning

KPI/Target	Actual Performance
KPI - to aim to maintain a maximum level of 8.5% of sites that fall below a Grade B.	2% below Grade B
No of Permanent variations	4
No of Temporary variations	12

Public Conveniences**Appendix 2** (continued)

KPI/Target	Actual Performance
KPI - Complaints (target < 15 per annum)	20 received
Defaults Issued	0
No of Permanent variations	0
No of Temporary variations	0

Pest Control

KPI/Target	Actual Performance
Treatments Undertaken	1,374 (end Oct)
KPI - target response time, two working days	100% achieved
KPI - Complaints received about the service (target less than 2 per annum)	1
No of Permanent variations	0
No of Temporary variations	5