

THE OVERVIEW AND SCRUTINY COMMITTEE

20 MAY 2013

HOUSING TERM MAINTENANCE CONTRACTS - PERFORMANCE REVIEW
2012/13 (CONTRACTOR – GEOFFREY OSBORNE LTD.)

REPORT OF ASSISTANT DIRECTOR (CHIEF HOUSING OFFICER)

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RECENT REFERENCES:

CAB2135 – Tender Report – Housing Term Maintenance Contracts - 16 March 2011.

CAB2387 (HSG) - Housing Term Maintenance Contracts - Performance Review 2012/13 (Contractor – Geoffrey Osborne Ltd) – 19 September 2012.

OS56 - Housing Term Maintenance Contracts - Performance Review 2012/13 (Contractor – Geoffrey Osborne Ltd) – 10 December 2012.

EXECUTIVE SUMMARY:

Osborne replaced Serco as the main term maintenance contractor on 1 August 2011.

At Cabinet (Housing) Committee on 19 September 2012, and at Overview and Scrutiny Committee on 10 December 2012, it was agreed that annual performance reports be produced and brought before these two committees to review performance in the previous financial year.

This report gives the first full year summary of contractor performance on responsive and void maintenance work recorded during 2012/13.

Osborne have continued to maintain steady and positive improvement.

Internal changes to the void process, and the very significant and positive part Osborne play within that, has helped produce marked improvement in the very important national KPI for the Council (average re-let time).

RECOMMENDATIONS:

That The Overview and Scrutiny Committee notes the performance information and considers whether to draw to the attention of the Portfolio Holder (or, if of significance, to Cabinet) any further actions required to address any areas of concern.

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REPORT OF THE HEAD OF HOUSING SERVICES

DETAIL:

1 BACKGROUND

1.1 At Cabinet (Housing) Committee on 19 September 2012 (CAB2387 (HSG) refers), it was resolved:-

- a) That the performance information in the report be noted.
- b) That these performance reports for Osborne be produced and brought before the Committee once a year in May to review performance in the previous financial year.

1.2 Further, at Overview and Scrutiny Committee on 10 December 2012 (OS56 refers), it was resolved:-

- That the Committee notes the performance information set out in the report and, in order to scrutinise the anticipated continued improvement in performance, a similar report be presented to the first meeting of the next municipal year (20 May 2013).

1.3 The purpose of this report is to update Members on the first full year (2012/13) performance results and to highlight any areas of concern.

2 Introduction

2.1 This report has been kept deliberately brief because its purpose is to focus on the performance results themselves and any newly emerging concerns. This report should therefore be read in conjunction with the associated background and commentary already contained within CAB2387 (HSG) which, for succinctness, will not be repeated here.

2.2 To this end, each performance indicators will be summarised as follows:-

- Brief description of the indicator.
- Indicator target.
- Actual performance outturns for period in question.
- Summary comments/concerns/emerging issues.

3 Performance Targets and Out-turns

3.1 The key performance indicators for responsive repairs are as follows

a) Priority Response Times

- (i) Description - the proportion of jobs completed within target for each of the five core priorities (e.g. call-out; emergency in hours; urgent (5 working days); 12 working days; 30 working days;)
- (ii) Target - 95 % (adjusted down from 98 % - see CAB2387 (HSG))
- (iii) Actual Performance - average for year - 90 % (see Appendix A for detail)
- (iv) Summary comments/concerns/emerging issues - Recovered well from early unsatisfactory performance, and generally a positive trend has been maintained over the last six months. The only setback within this latter period was in January, when a large proportion of the non-urgent works were delayed due to exceptionally inclement weather (snow).

b) Customer Care Card (CCC) Responses (green cards)

- (i) Description - tenants are given the opportunity to comment on all repairs carried out for them via the green CCCs. This popular and well-established protocol provides the Council with probably the best and most independent measure of what is actually happening on the ground.
- (ii) Target - overall average for all five questions - 98 %
- (iii) Actual Performance - average for year - 98 % (see Appendix B for detail)
- (iv) Summary comments/concerns/emerging issues - The overall target is being achieved, but three of the six areas remain just below target. Osborne remain committed to achieving target in each individual area. Later in the year, WCC and Osborne will be investigating the practicalities of jointly sharing one dynamic diary system in the hope of improving reliability (turning up at agreed appointment time and date) and completion of the works in one visit.

3.2 Over the last few months officers have started asking tenants how many visits it has taken to complete the works (new last question on CCC). The early indication from the raw data is that 85% jobs are completed in the one visit. However, it will be necessary to carry out further detailed analysis and have a

better understanding of the influencing factors before further comment can be made on the validity and relevance of this figure in terms of contractor performance.

3.3 In addition to the above, the Tenant Repairs and Maintenance Scrutiny Group have recently carried out a detailed review of the current CCC processes and procedures and are about to report on their findings and recommendations.

4 Voids (Empty Properties)

4.1 The key performance indicators for voids (empty properties) are as follows:

a) Proportion of Voids returned within target

- (i) Description - proportion of all voids completed within target.
- (ii) Target - 98 %
- (iii) Actual Performance - average for year - 91 % (see Appendix C for detail)

- Summary comments/concerns/emerging issues - The overall average performance is below target, but this is primarily due to very poor start to the year. Over the last seven months there has been a marked and sustained improvement in performance.
- Officers are currently very pleased and satisfied with performance in this area of the business.

b) Average number of working days with contractor

- (i) Description - the number of working days the contractor takes to carry out the works.
- (ii) Target - 7/8 working days.
- (iii) Actual Performance - average for year - 8 working days (see Appendix C for detail)

- Summary comments/concerns/emerging issues - The overall average performance is just within target. Again this average has been marred by a poor start to the year but, performance over the last seven months has been excellent (average 5/6 working days).
- Officers are currently very pleased and satisfied with performance in this area of the business.

5 Contractor's Partnership Update

5.1 As part of this review, Osborne was invited to comment on their progress and performance to date. Their comments are contained within Appendix D.

OTHER CONSIDERATIONS:6 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS
(RELEVANCE TO):

6.1 The Community Strategy places emphasis on strong performance management. This report forms part of the performance monitoring processes, designed to check progress being made against agreed targets.

7 RESOURCE IMPLICATIONS:

7.1 There are no direct resource implications the need to be considered as part of this report, although obviously ensuring strong performance in areas such as responsive and void maintenance repairs is essential to the financial health of the HRA.

8 RISK MANAGEMENT ISSUES

8.1 Risk management plans form an integral part of the HRA Business Plan and key risks have been assessed and actions are in place to mitigate those risks.

9 TACT COMMENT

9.1 TACT maintains a direct contact and dialogue with Osbornes and overall, remains pleased with the service provided. We have developed a very positive relationship with Will McLaughlin, the Contract Manager and it is really pleasing to have a contractor prepared to work with TACT so openly.

9.2 The Tenant Repairs and Maintenance Scrutiny Group has monitored this area closely and report findings regularly to TACT. They have raised concerns with some Council systems and in particular the lack of follow-up by Council officers to negative comments added to green cards. Council officers do not wish to amend the cards but have agreed to review how they manage such complaints. This is not a criticism of Osborne performance, just a concern that tenants' comments are not being analysed by the Council.

APPENDICES:

Appendix A	Responsive Repairs - Priority Response Times 2012/13
Appendix B	Responsive Repairs - Customer Care Card Responses 2012/13
Appendix C	Void (empty homes) - Performance summary 2012/13
Appendix D	Partnership Report (produced by Osborne)

Osborne - Completion of Works within Response Repair Priorities - 2012/13

Period	2012									2013			95%	Average
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar		
Target	98%	98%	98%	98%	98%	98%	95%	95%	95%	95%	95%	95%		
Actual	86%	84%	79%	91%	89%	90%	93%	92%	91%	87%	94%	96%	90%	Average
											prov	prov		

Priority													Total jobs completed	Total in-target
Call-outs	44%	77%	63%	76%	92%	98%	100%	100%	100%	100%	100%	100%	734	645
Emergencies	84%	87%	90%	95%	99%	96%	100%	98%	98%	100%	97%	100%	2481	2378
Urgents	89%	77%	70%	92%	86%	88%	91%	90%	79%	80%	94%	94%	4447	3834
12 Day	89%	89%	86%	93%	86%	91%	90%	91%	91%	88%	95%	98%	2931	2660
30 Day	91%	89%	87%	91%	88%	86%	91%	91%	93%	81%	91%	93%	3619	3230
Total jobs completed	1031	1031	904	1014	1144	1157	1399	1340	1150	1472	1338	1232	14212	12747
Total jobs in-target	883	871	716	927	1016	1039	1297	1236	1042	1277	1263	1180	12747	

Performance Summary - Customer Care Card Responses (for jobs paid between 1/4/2012 and 31/3/2013)

(Osborne only, excluding void jobs and blocks)

1	Total Osborne jobs paid during period	14058	
2	Total number of jobs with comments/complaints recorded	3900	28%
3	Total number of comments/complaints	4008	
4	Source of comment/complaint:-		
	Customer Care Cards (cards returned by tenants)	3731	93%
	Customer Care Cards (we phoned tenant)	277	7%
		4008	
5	Customer Care Card Questions		Satisfaction rate (of those that expressed an opinion) 4008
	a) Agreed appointment time and date		96.01%
	b) Quality of work		97.11%
	c) Workmanlike manner		99.83%
	d) Conduct/behaviour		99.85%
	e) Offered ID		97.95%
	f) Number of visits to complete the works		TBC
		Average	98.15%

Osborne - Voids Completed 2012/13

	On time	Late due to Osborne	Total	Success rate	Target 98%	Target 7/8 working days
April	16	6	22	73%		11
May	21	7	28	75%		13
June	25	5	30	83%		14
July	38	6	44	86%		12
August	40	3	43	93%		8
September	26	0	26	100%		4
October	23	0	23	100%		4
November	24	1	25	96%		5
December	17	0	17	100%		5
January	19	0	19	100%		5
February	22	0	22	100%		5
March	27	1	28	96%		6
	298	29	327	91%		8

Appendix D

Cabinet and Scrutiny Committee Report – Update

Executive summary

The delivery of the repairs and voids contract continues to go from strength to strength. A number of strategic changes have been made within the Osborne and Winchester City Council delivery teams which continue to bed in, but early signs are positive. Changes made within the Voids and responsive operational management teams immediately brought a positive outcome. Furthermore, the move of Osborne staff from the co-location of Colebrook street was challenging, but once again, immediately brought a positive outcome to the service, with a reduction of 45% of calls received by the Osborne call centre.

Furthermore 2013 has seen different types of works being fulfilled by Osborne, such as planned Kitchen and Bathroom replacements. In addition to this Osborne have taken the long term approach and invested in the Term partnership by procuring plant for gutter clearance, allowing significant savings to the council.

Regular attendances at tenant & community groups has assisted Osborne in identifying further improvements, which have been made and allows first hand feedback from the tenants on how they believe the service is performing.

Responsive Repairs

The responsive repairs performance has steadily improved since the last report, recording an increase of 10-15% jobs completed within target per month. The operative productivity has increased within the year by completing more jobs right first time, which allowed an addition 20%-30% in repair volumes being serviced without the need for significant change to the current structure. Further work continues on reducing the average time taken to complete the job, which will be a benefit to the tenants in the medium term.

IT

The IT interface between Osborne and Orchard (WCC System) is under development. Work on the transfer files between both systems will bring great benefits to the delivery, with real time information on Job completions, Appointments, job commercials, etc. Currently these updates are extremely labour intensive and being fulfilled by various members of staff. By automating the data this will allow an increased focus from staff on the customer front end service and increase the accuracy of both Osborne and Orchard systems.

Voids & Planned (Kitchens & Bathrooms)

The Void operational performance has consistently improved throughout 2013. The teams from WCC & Osborne continue to work closely, which is assisting the achievement of some great results. The increase in performance is even more impressive when we take into account the additional (Kitchen and Bathroom) works being carried out whilst the property is a void, which wasn't the case previously.