

Cabinet report



7 September 2021

IMPROVEMENTS TO HOUSING REPAIRS AND PLANNED MAINTENANCE SERVICES

Name of Cabinet member	Councillor Emily Darlington Adults, Housing and Healthy Communities
Report sponsor	Stuart Proffitt Director of Environment and Property
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Exempt / confidential / not for publication	No
Council Plan reference	Improve the council homes repairs and planned maintenance service by working with our contractor to agree a set of clear and meaningful KPIs on performance and delivery by September and communicate them to tenants (Action 38)
Wards affected	All wards

Executive summary

MK Council owns 11,118 homes and manages 1,618 leasehold properties (HRA Business Plan 2020/21). Providing a comprehensive repairs and maintenance service is important in order to keep our homes safe and in good working order for our tenants and leaseholders.

In March 2016 Mears Group Plc was appointed as our contractor for the provision of repairs and planned maintenance services. This contract currently runs to March 2024. Mears is a large contractor, providing repairs and planned maintenance services to over 70 local authorities, arm's length management organisations and housing associations.

In line with the Council Plan commitment, we have now looked at the repairs and maintenance service, including the performance of our own teams and those of our contractor, and have identified some areas for further improvement.

This report sets out a number of improvement areas for the delivery of the repairs and maintenance service. These include:

- Introducing harder targets for important service areas.
- Strengthening the MK Council client team to monitor and check quality, cost, timeliness and customer satisfaction and improving operational-level reporting to ensure better integration of data by our team.
- Reworking existing voids process to better coordinate resources, give transparency of work and speed up turnaround times.
- The implementation of new technology - a customer app for tracking repairs and feedback, as well as a new customer portal.

1. Decision to be made

- 1.1 That the proposed changes to the housing repairs and maintenance Key Performance Indicators set out in this report, be agreed.

2. Changes being made

- 2.1 We have now completed our work looking across our **existing** set of key performance indicators (KPI's) and identified where we want to see further improvement. In these areas we have agreed a more challenging target with our provider. These areas are as follows:

- 2.2 Average repair times

Our contractor has been operating at a standard target repair times of 14 to 15 days on average per repair. We have agreed to set a new local target of 10 days on average per repair.

- 2.2 Responsive repairs 'first time fix'

The KPI definition has been revised to include all repairs. Historically the KPI only measured works deemed eligible for a 'first-time fix' meaning a number of repairs such as plastering, glazing, flooring, etc which required more than one visit due to work type were excluded from the calculation. The revised definition includes all jobs regardless of whether a 'first-time fix' is achievable. This approach is nationally recognised and able to be compared to other service providers/authorities.

- 2.3 Customer satisfaction

Previously, the overall customer satisfactory target was for tenants and leaseholders to score our contractors performance was '6 out of 10' or better. This has now been increased to '8 out of 10' or better.

- 2.4 Appointments

Linked to the change to customer satisfaction target, the target for appointments made and kept has been raised from 90% to 95%.

2.5 Other improvements

In addition to the existing set of key performance indicators (KPI's) we have identified specific areas where we want to see further improvement. These areas are voids and work in progress (WIP).

2.6 Work in progress – Reducing older jobs

Work in progress (WIP) is the number of works live in any month and the age profile. Between May 2021 and July 2021, there was an overall increase in WIP from 1,942 to 2,138 cases (an increase of 10.1%). This is mainly due to a large increase in the number of jobs being raised by residents. The increase in overall WIP is shared relatively proportionately across several trades – the four largest components of WIP (plumbing, roofing, carpentry/joinery and electrical) account for the overall rise, with smaller rises and falls in other areas.

It is important that we reduce the number of older jobs within the WIP. An improved management information report is in place to now monitor and reduce the number of jobs that reach 12 weeks.

2.7 Reducing void periods

Voids (the time from when the current tenant or leaseholder hands in notice of their tenancy to the point at which a new tenant or leaseholder is in place) remains an area where we want to see improvement. Turning voids around quicker supports our other work, such as reducing our use of temporary accommodation.

We have now reviewed and redesigned the processing of voids to a more streamlined, integrated process across our teams and our contractor. This classifies voids based on the amount and nature of works required. This included forming a new voids specific team, who meet weekly to understand performance, with earlier involvement of our contractor. We have also worked closely with audit, who issued their final audit report on void works, which similarly found areas for improvement which are being addressed.

We believe excessive void times are being driven by the number of properties which require a significant amount of work to reach the required standard, and a number of properties with debts on the energy meters, or damaged meters, which means properties cannot be handed over. We have now introduced a clear lettable standard for voids works, giving customers and our contractor certainty on the standards involved in ensuring that a void property is lettable as soon as possible. The new process went live fully in June 2021 and is currently embedding.

3. Effective contract management

3.1 Alongside these changes to our Key Performance Indicators, we have now strengthened our own arrangements for contract management to ensure we can hold our provider to account.

- 3.2 Our client team has **four additional building surveyors** (one is voids specific) to monitor quality, cost and timeliness of works delivered by our contractor. We have also increased our presence at our contractor's office for closer oversight of services.
- 3.3 Our client team will also be expanded to include **a new sustainability project manager** to focus on our energy improvements for the housing stock as we lower carbon emissions and fuel bills for our residents.
- 3.4 We have also **appointed a customer relationship manager**, to champion improved customer experience. This will involve prioritising and reviewing complex cases; where complaints arise and addressing trends to ensure a 'lesson learnt' and process improvement is undertaken. We have already seen a fall in the level of complaints on last year with improved coordination between our teams, for example through weekly complaints analysis with our customer service team.
- 3.5 Our contractor has been asked **to provide an easy-to-use customer digital platforms for improved customer contact**. A new two-way text and track of current jobs and allow for feedback is now live, and a new tenant portal planned for November 2021. The portal will for example provide our tenants and leaseholders the ability raise jobs, book appointments, track works orders, view historic orders, as well as amend and cancel appointments for their homes.
- 3.6 To meet these new expectations, our contractor has added additional resources; six additional operatives for key trades and a new call centre manager at no additional cost to us.
- 3.7 Oversight of repairs and planned maintenance performance has also been improved and is now managed through a specific board, chaired by the responsible Director. This in turn reports to the corporate portfolio board as and when required. Challenge as well as support is provided by the responsible Cabinet Member. Wider political scrutiny of performance continues to be exercised through the Overview and Management Scrutiny Committee through the quarterly performance dashboard, the Housing and Regeneration Scrutiny Committee and the Audit Committee.

4. Communicating with tenants and leaseholders

- 4.1 If agreed, the changes set out in the report will be communicated to our tenants and leaseholders through a new newsletter that is being launched. A special feature has been planned to appear in the autumn edition.

3. Implications of the decision

Financial	No	Human rights, equalities, diversity	No
Legal	Yes	Policies or Council Plan	Yes
Communication	Yes	Procurement	No
Energy Efficiency	Yes	Workforce	No

a) Financial Implications

There are no additional costs to the Council for the changes to KPIs outlined in this report. The cost of the additional resource within the MKC client team is included in the base budget from 2021/22 and was approved in February 2021 as part of the budget. The costs of the additional resources within Mears (the contractor) are also contained within the current contract overhead charge and have been funded through efficiency savings in the service delivery of the contract.

The changes to KPIs and process improvements will have a positive impact on repairs and maintenance and income budgets (“first time fix” will reduce costs for multiple visits and additional rental income through reduced void periods). This has not yet been quantified but will be assessed as part of the rolling refresh of the HRA Business Plan.

b) Legal Implications

The contract affected by the KPIs is the term partnering contract. It allows changes to be made to the KPIs through the annual contract review mechanism held within the contract therefore no variation is required to the contracts to effect these changes. The KPIs are reported on the corporate quarterly dashboard and a record is kept of all historic KPIs.

c) Human rights, Equalities, Diversity

The Council ensures that it has full regard to the equality duty and human rights of tenants and other residents in the delivery of all housing services. There will be no adverse impact of this decision.

List of annexes

Annex A – Complete list of KPIs (September 2021)