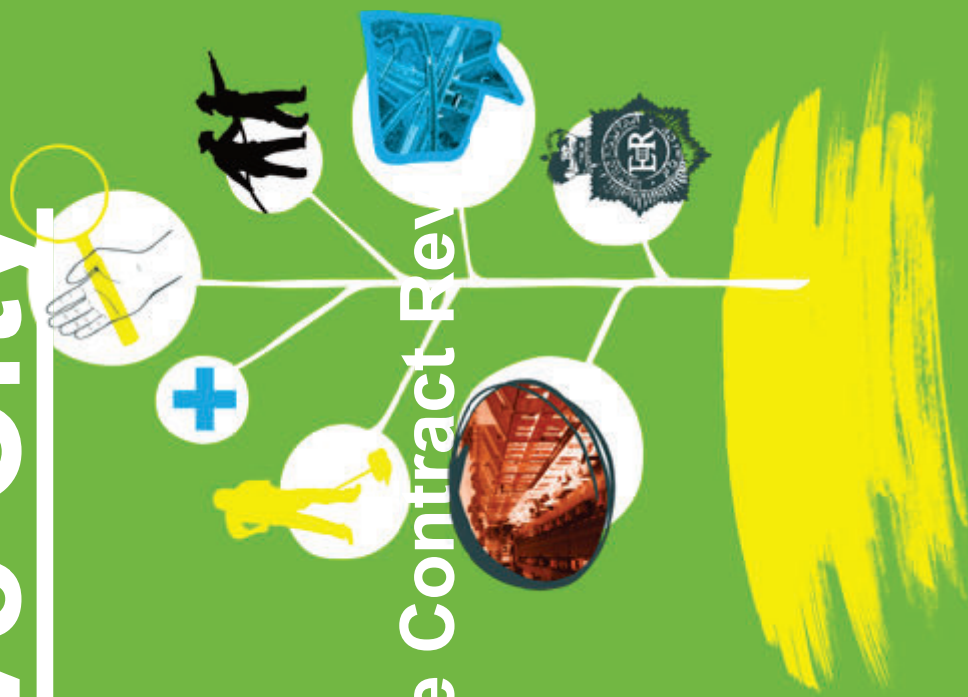


# Brighton & Hove City Council

Housing Repairs & Maintenance Contract Review

Feedback 13<sup>th</sup> October 2010

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# Agenda

- **Audit Approach & Scope of the work**
- **Key findings against themes**
- **Progress made since the Review**
- **Any Questions?**



# Audit approach & scope of work

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- Undertook document review and review of self-assessment
- interviews and focus groups involving councillors, officers and partners.
- Thematic Approach
  - Housing Repairs & Maintenance Contract Arrangements
  - Performance Management & Risk
  - Current service performance - decent homes and waiting times for repairs & maintenance
  - Financial Outturn, forecasting and sustainability

# Housing Repairs & Maintenance Contract Arrangements

- Appropriate aims and objectives have been set for the partnership contract
- Internal audit reviews of the procurement process and the mobilisation of the contract – provide positive assurances about both processes.
- Good consultation and involvement of tenants and stakeholders in developing the contract – both in terms of the procurement and mobilisation strategies.
- Good consultation and communication of tenants, in terms of informing strategies & policies e.g. the housing revenue account capital programme 2010-13.
- Effective use of a representative resident's asset management panel to provide user input into shaping and the monitoring of the new contract.

# Housing Repairs & Maintenance Contract Arrangements

- The residents were fully involved in setting the type, quality and level of service delivery required from the new contract.
- The council has put the appropriate people and structures in place to deliver and manage the contract.
- The whole management team is clearly focused on achieving the DHS target by 2013.
- Roles and responsibilities of the Property & investment Service are clearly set out in the Contract Management & Compliance Strategy.
- There is a new Contract Compliance team which will monitor the works and ensure that repairs are carried out to an excellent standard.

# Performance Management and Risk

- There is a clear commitment to, and focus on, robust management and monitoring of the new repairs and maintenance contract to achieve the DHS target by 2013.
- The Housing management service has developed a performance management framework and strategy for performance managing the contract. This provides a clear outline of the framework and the arrangements.
- These performance management arrangements are becoming embedded. There is early evidence of the Contractor responding to concerns raised by the Council for example, the review of the call centre service and subsequent improvement plan.
- The Council acknowledges that it still has got to develop and embed a performance culture across the service.

# Performance Management and Risk

- There are good links and clear alignment of targets between the community strategy, the Local Area Agreement and Housing plans.
- There is a process in place for involving residents in the performance monitoring and management of the contract.
- There is new framework and arrangements in place for the monitoring the quality of the works delivered by the contractor. This includes a contract compliance team.
- The council is developing financial reporting arrangements for the contract. Responsibility has been given to the Core Group to monitor and control budgets with high level financial reporting being delivered and signed off by the group on a monthly basis.
- Risk Management arrangements for the contract is in place. Two risk registers are maintained and monitored; the Partnership Risk Register and a council Risk Log.

# Performance Management and Risk

- The Council has put in place arrangements for producing good quality performance information and data quality has improved.
- There is scope to ensure that complaints are used more systematically to inform and improve service delivery.
- Service standards for the repairs and maintenance service are not fully in place however the Council is currently reviewing its service standards to reflect the new contract.
- The Council recognises that business planning and team planning for the Property and Investment team are not yet fully integrated.
- There is a complicated and extensive schedule of rates that will require thorough and robust monitoring of the billing process to ensure that the Council is invoiced the correct amount for each piece of work.



# ***Repairs & Maintenance waiting times & DHS – Performance***

- Outcomes are improving although from a low base and there is more work to do to improve performance. Since 2008, the Council has made steady progress in improving the repairs and maintenance service for residents and response times are now shorter. There has also been a decline in the number of non-decent homes.
- The Council had a track record of long waiting times for repairs and maintenance. However there has been a significant improvement in response times for urgent repairs.
- There has also been an improvement in response times for routine repairs.
- User satisfaction with the repair service has improved when compared to 2008.

# ***Repairs & Maintenance waiting times & DHS – Performance***

- Decency levels have improved steadily during 2008-10, as a result of increased investment and targeted programmes to replace failed heating systems, kitchens, bathrooms and doors.
- The Council however failed to meet the DHS government target for 2010 and it did not meet its own internal target of achieving 36 per cent of homes being non-decent in 2009-10, missing the target by 3.5 per cent. The Council also missed its target in 2008-09.
- The Council accepts that it still needs to do more to reduce the number of non-decent homes over the next three years.

# Financial Outturn, Forecasting & Sustainability

- The Council has put in place arrangements and financial plans that suggest it can achieve DHS but until we see some tangible results from the new contract, there remains some uncertainty..
- The Council has built into the financial model for Year 2 & 3 – anticipated capital receipts of £15m from the LDV. Concerns however remain whether or not this funding will be realised in the timescale assumed or at all.
- The Council has identified the entire backlog maintenance requirement for the HRA as at 31 March 2010, and identified the capital spending resources needed over the next three years including the resources required to reduce the number of non-decent homes.
- The Council has identified an additional capital spending requirement of £77m for the next three years which includes £44.6m to cover the cost of the decency elements.
- The Council has determined how the £75m will be financed over the three years. It consists of major repairs allowance, housing capital allocation, revenue contribution to capital, unsupported borrowing and the use of reserves.

# Financial Outturn, Forecasting & Sustainability

- The Council has identified the capital budget over the next 30 years that is required to maintain decency and of course fulfil all the other capital requirements including paying off debt.
- The quality of the data used to identify the backlog has improved in 2009/10 and is seen as far more reliable. In 2008/09, data quality spot check indicated that the database was unreliable due to the low level of surveys and the backlog of un-entered information.
- The Council has not at this stage assumed that self financing will be introduced.
- Savings delivered from the contract are dependent on successfully changing TUPE staff terms and conditions – move from schedule of rates payment to hourly rate.

# Summary

- Our conclusion is that the housing management service has made good progress over the last 2 years.
- It is working effectively with a clear commitment from all partners to deliver improvement in the repairs and maintenance service for Council residents.
- There is collective ownership from members, partners and the senior managers to deliver the improvements needed and to maximise value for money.
- Delivering decent homes has been given high prominence within the priorities of the council and the LSP. Spending has been directed to deliver the DHS target by 2013.
- The establishment of a new management team has introduced an renewed impetus to leadership, secured new momentum and is providing effective management of the changes to which staff are committed.
- The council in partnership with the contractor has the building blocks/capacity to deliver the necessary improvements.
- The council has used specialist support from consultants and has added project management capacity to drive through the implementation of the contract.

