	Performance and Finance Select Committee 28th October 2009 **Report from the Director of Brent Housing Partnership**
	Wards affected: All

Brent Housing Partnership's Responsive Repairs Service Void Management and Capital Programme

Due to the size of this report a contents page has been included for ease of reference.

Contents **Pages**

1. Summary

1.1 The report describe the reasons why the Lean Fundamentals review of Responsive Repairs was undertaken, covering the period since the start of the Linbrook contract in 2006 what was found during the review with recommendations as to how system changes could be rolled out to cover all responsive repairs across the borough. Current performance levels and details of complaints performance are found on page 21.

1.2 The report also describes from page 22 how BHP's currently manages the Voids process since this service was reviewed in 2005.

1.3 The last part of the report from page 24 onwards describes BHP's management of the Capital Programme.

2 Recommendations

2.1 The members of the committee note the contents of this report

3 Background April 06 - October 07

3.1 Officers in BHP procured a new Responsive Repairs Partnering Contract which commenced in April 2006 with Linbrook Services Limited. The contract is a five year contract which is extendable by five years subject to satisfactory performance which is assessed through key Performance Indicators.

3.2 Officers decided to use an NEC Term Maintenance Contract rather than JCT Contracts which were used previously for responsive repairs contracts as the strategy for improving the service to Brent's tenants and leaseholders involved letting a long term partnering contract with a sole contractor to provide a responsive repairs service across the borough.

3.3 Further explanation about the strategy of letting a partnering contract is contained within the contract award report that went to Brent Housing Partnerships Board in January 2006.

3.4 A brief explanation of the difference of partnering contracts compared to traditional contracting is that the contract requires the client and the contractor to work closely together to achieve shared objectives with the risks more evenly distributed to both parties.

3.5 In order to achieve the objective of more evenly shared risk the contract cost model was developed. The contractors were asked to price

- Overheads
- An percentage adjustment against the Schedule of Rates
- Guaranteed Profit
- Variable Profit subject to Key Performance Indicators

3.6 A feature of our partnering contract is the use of open book accounting. Officers felt that there was not sufficient evidence of existing successful open book (or cost plus) responsive repairs contracts that other authorities or RSL's were using that could be adopted by BHP. The contract therefore stated BHP's aim to develop open book accounting within the term of the contract when it felt that it was economically advantageous to do so. This has given us the opportunity to develop the contract with Linbrook which is now in its second year.

4 Performance April 2006 - November 2007

4.1 A responsive repairs contract is the most challenging type of service to deliver as the contract covers lots of different types of building and maintenance activities. Responsive Repairs covers Roofing, Carpentry, Plumbing, Electrical, Plastering, Decorating, Brickwork, Glazing, Metal work, paving, locksmith works etc.

4.2 BHP's other term maintenance contracts are all single trade specific e.g. gas servicing and heating, communal electrical, lift, entry phones, water services, asbestos, communal heating. These contracts mainly use directly employed staff rather than sub contractors and often a single operative is sufficient to undertake the repair. BHP has long term contracts for all these services and in general they are all well performing contracts.

4.3 Responsive repairs contracts use both direct labour and sub contractors and there is often a requirement for more than one trade to be used in undertaking different types of repair at a property. Therefore the administration control and communication of operatives and sub contractors is more difficult.

4.4 BHP previously built a lot of service improvements into the contract with the aim of improving services to tenants and leaseholders however some of these improvements had proved challenging to deliver, e.g.:

- **Enhanced appointments 11-2 and 5-8.** Not Fully Implemented
- **Text Messaging reminders for next day appointments** Not Effective
- **Repair Surveying undertaken by contractor** Implemented fully but quality of service not improved sufficient
- **Repairs service to Leaseholders** Implemented but low take up by leaseholders
- **Handy man service to vulnerable customers** Implemented but difficulties in identifying suitable works for vulnerable customers
- **Increased monitoring of repairs to vulnerable customers** not fully implemented or effective
- **Repairs Bus to visit estates** Implemented successfully but low take up from customers
- **Complaints answered by contractor directly**. Very Successful
- **Customer Relations Manager** Very Successful
- **Joint Walkabouts** Implemented but communal works till problematic
- **Vehicle Tracking** Not Implemented
- **Joint Development of PDA's** Not yet implemented
- **Enhanced reporting requirements**. Implemented but has not led to further service improvements.

4.5 In general the launch of the contract in April 2006 went well, however there were some notable service failures in the first few months of the contract which were poor telephone performance by Linbrooks administration team and missed appointments.

4.6 Managers in BHP met with Linbrook managers on a fortnightly basis since the start of the contract to work to overcome these problems.

4.7 It is officers view that every activity and contract monitoring tool and technique has been used in the management of the contract during the first 18 months but there were some areas of the service that have not been delivered as successfully as had been expected.

4.8 The types of service problem that existed include;

- Delays in resolving day to day issues due to email and phone communication.

- Poor communication between contact centre and Linbrook administrators,
- Failure to return customer telephone calls,
- Poor understanding of contract requirements and objectives by front line staff
- Disagreements over contract administration processes by front line staff
- Agreeing appropriate variations and contract interpretation
- Lack of accountability and contact ability of contract supervisors,
- Reports from Linbrook Managers not delivered to target.
- Failure of specific trades e.g. roofing repairs.
- "Them and Us" relationship between BHP and Linbrook front line staff
- Delays in introducing enhanced contract specification e.g. 11-2 and 5-8 appointments.
- Poor administration as a result of lack of knowledge of Council V5 system.

5 Co-Location of Linbrook in Chancel House

5.1 In order to address these problems officers proposed to Linbrook that Linbrooks Brent contract staff co-locate with BHP's Repairs team and Contact Centre in Chancel House which was implemented in August 2007.

5.2 Officers felt that co-locating with the contractor would have the following benefits that would lead directly to an improved service to tenants and leaseholders.

- **Improved communication through face to face dialogue for front line staff.** *Achieved*
- **Breaking down of barriers through personal contact will eliminate "them and us" relationship.** *Partially achieved*
- **Elimination of phoning contactor to resolve problems /queries** *partially achieved*
- **Administrative processes can be reviewed and agreed jointly which will remove duplication from the process and get both sides working together** *Not achieved*
- **Supporting documentation behind variation requests will be readily available thus ensuring value for money for BHP and will reduce delays in processing variations**. *Achieved but has not led to improved service to tenants.*
- **Contract Supervisors will be readily available to deal with problems**. *Not achieved as contract supervisors bogged down with paperwork.*
- **BHP officers will be able to assist Linbrook with reviewing and implementing improved administrative processes.** *Not achieved, same systems used as prior to co-location.*

- **Better working relationship should lead to further contract improvements over the life of the contract.** *Starting to be achieved as a result of the LEAN pilot.*
- **Quicker intervention in problem areas such as a poorly performing trades or subcontractors as they arise**. *Achieved, plumbing and roofing sub contractors replaced.*
- **Linbrook staff increased commitment to contract as they would be Brent dedicated whereas currently the Linbrook office runs a Citywest Homes and BHP contract**. *Achieved. There are some very hardworking and committed managers and staff on the BHP contract.*
- **Development of open book accounting is easier if all documentation is on site at Chancel House**. *Progressed as a result of the LEAN pilot.*
- **Development of BHP staff commercial awareness** *partially achieved*

6 Financial Effects of Co – Location

6.1 Linbrook offered a saving to BHP under the proposal to co-locate and develop the Contract. Any profit in excess of 8% made on the direct cost of undertaking works was to be shared 50/50 with BHP.

6.2 For the period August to December 07 the excess profit on the direct costs of undertaking the works (over 8%) was £67,000. These figures were audited by Hilary Kearney BHP Quantity Surveyor and Chris Dekoker BHP Management Accountant and found to be a true and fair summary of Linbrook profitability on the contract.

6.3 Under the terms of the contract Linbrook Services undertook pre inspections of responsive repair works. BHP had specified that Linbrook employ five “Inspectors” to undertake this work. Two of BHP’s former repair surveyors TUPE transferred to Linbrook in April 2006 to be part of the five man inspector team.

6.4 Linbrooks employed three inspectors as one left the company recently and another was promoted to a Contract Supervisor role. BHP Officers felt that there was existing capacity within the remaining Repair Surveyors who were currently employed by BHP to undertake the work of the former two Linbrook Inspectors. Officers confirmed to Linbrook that they should not recruit any further inspectors and BHP took on responsibility for this work from the 3rd April 2007. The saving BHP achieved as a result of this was £80,000 per annum.

6.5 As a contribution to the cost of the accommodation at Chancel House, Linbrook

reduced their maximum variable profit figure from 5.5% to 3.5%. The variable fee is calculated against the value of orders (less the guaranteed profit added which is 9%).

6.6 The value of the maximum variable fee of 5.5% on a works order value of £2,180,000 less guaranteed profit was £110,000 (2,180,000 – 9% x 5.5% = £110,000). The value at 3.5% is £67,046. Therefore this would be a contribution of £43,046.

6.7 This saving assumed that Linbrook achieved the maximum variable profit. Gerry Doherty undertook a "reality check" of the repairs service in November 2007 (described in further detail at point 7.3) As a result of this exercise BHP declined to pay the KPI variable profit as the KPI targets had not been met.

6.8 Linbrook also offered to refund BHP any savings achieved on costs which they have called "regional office overheads" if the actual costs incurred are less than their tendered figure of £33,425. These items relate to costs that they would still incur from operating at Chancel House, e.g. stationary, staff training, phone costs, information technology, and general expenses.

6.9 There was 25 proposed staff within the Linbrook compliment. 23 of those staff were to be dedicated to the Brent contract and were based full time at Chancel House. Two staff i.e. Linbrook Regional Director Martin Wright and the Area Administration Manager Gavin Jackson time was based 50% on the BHP contract and 50% on the Westminster Council's Citywest contract.

6.10 Due to the ongoing service failures caused in particular by Linbrooks over reliance on sub contractors Linbrook contract management team increased to 34 staff (including temps) by January 08.

7 Legal Issues Relating to Co-location

7.1 The Landlord of Chancel House confirmed that Linbrook could move into existing BHP office accommodation as long as they are not given security of tenure.

7.2 Officers proposed that Linbrook's be given an agreement to move into the office which could be terminated with six months notice.

8. Why of Lean Fundamentals

8.1 BHP Directors became aware of the work of John Seddon and Systems Thinking in 2007 and the Director of Technical Services attended a Lean Fundamentals workshop in August 2007. John Seddon also gave a presentation at Brent Council's Senior Management Conference in September 07.

8.2 BHP;s Directorate Management Team agreed that BHP employ Vanguard Consulting to undertake a three day Introduction to Lean Fundamentals which took place in November 2007.

8.3 The Director of Technical Services spent a month working in the repairs contact centre observing current practice and speaking to all the BHP contact centre staff. The Director of Technical Services also observed and met all the Linbrook contract staff working in Chancel House. The Director of Technical Services analysed over three thousand calls received in the repairs contact centre between the 5th November to 14th December 2007 .A summary report of his findings was presented to Graham Scott (Managing Director Linbrooks) at a meeting on Thursday 10th January 2008..

8.4 DMT agreed that Vanguard Consulting be employed to undertake a Lean Fundamentals System Intervention project and a budget of £50k was identified.

8.5 The Lean Intervention project commenced in March 2007. Three front line staff i.e. Jilna Shah, Vina Bhudia and John Farquharson was dedicated to work full time on the project group with Andrew McClean .from Vanguard Consulting. Gerry Doherty (Director Technical Services), Umesh Natalia (Head of Responsive Repairs), Andrew Reid (SK Technical Manager) plus Phil Brown (Linbrook Contract Manager) and Dave Kelly (Linbrook Contract Director) took part in workshops and reality checking exercises. A five man team of Linbrook operatives also took part in workshops.

9 Method of Undertaking Lean

9.1 The project group undertook the following tasks in the initial weeks of the intervention project

- Identifying the purpose of the system
- Studying Demand from Customers
- Measuring capability
- Identifying current flow of work
- Identifying types and quantity of waste
- Joint inspections with BHP surveyors and Linbrook Inspectors

- Going out with Linbrook operatives for the day to observe working practices and to get their views.
- Re-designing the system on paper

9.2 The project group prepared a study of the flow of work and identified that a significant cause of waste designed in the existing system was as a result of the Schedule of Rates.

The team undertook a re-design of the system which attempted to only undertake the "value" work in the system.

9.3 It was agreed that this new system should be piloted to test these ideas in practice. The South Kilburn area was identified and a project team was set up led by Umesh Natalia in the existing South Kilburn Community Resource Centre offices.

9.4 The SKL Repairs Project Team moved to the South Kilburn area office on 21/04/08. The new system was managed from a Whiteboard, using sticky tags to record details of individual new jobs being issued to Linbrook operatives, for the SK area. Meetings were held with Linbrook operatives and sub-contractors to ensure that they were fully aware of the importance of them having to attend orders as soon as possible, complete it first time and to report back on the details required, for individual jobs.

9.5 The works orders were initially logged onto an Excel spreadsheet, which enabled jobs to be tracked and future appointments to be recorded.

9.6 Due to the level of jobs increasing on a daily basis, the Excel spreadsheet started to become more difficult to keep updated and maintained. Umesh Natalia worked closely with Martin Chivers (Linbrook IT manager) to give him a detailed brief on the requirements of a database that he then designed which was based on the needs of the System Thinking process,

9.7 The new Filemaker database - BLINK (re: Brent / Linbrook) was developed jointly by Martin Chivers and Umesh Natalia and is being used as the front-end system by BHP / Linbrook Repairs Administrators to manage the new repairs process.

9.8 There are current IT issues which need to be addressed to enable the new database to be further developed in order to cope with higher volumes and also for the interface with Brent's Northgate V5 system, and Linbrook's Lion system, to prevent duplication of data entry.

10 Features of the Initial Pilot System

10.1 Linbrook provided dedicated contract management staff to take part in the pilot who

were based in the South Kilburn office plus they also identified a group of operatives who were dedicated to working on the pilot.

10.2 BHP agreed to alter the method by which Linbrook were paid for works on the contract

Using the Schedule of Rates to value individual work items was replaced by an agreement to pay the actual cost of time and materials used. In order o agree hourly rates of operatives BHP benchmarked the Linbrook Citywest Homes contract and agreed that the tendered hourly rates used at Citywest would be appropriate for the pilot.

10.3 BHP raised orders for all works up to £500 at a value of £85. For works over this value an order is raised at £1000. Linbrooks complete the works and invoice these orders without varying their value. BHP /Linbrook undertake a quarterly reconciliation exercise which calculates the actual cost of labour and material used. Any difference over or below the amount paid to Linbrook will be either credited to BHP or paid to Linbrook.

10.4 Under the old system of organising repairs Linbrook issued between 7 -10 orders per day to operatives each morning. Orders that were undertaken by sub contractors were faxed to them at 4pm on the preceding day. This system took no account of the capability of the individual operatives or sub contractors. As a result many orders each day were either not completed, started or postponed and appointments were missed. This resulted in complex administration schemes to move this paperwork around the system which led to a lot of waste and poor service to the customer.

10.5 Under this new system each operative is issued one order at a time and is not given their next order until the works are complete.

10.6 In order to eliminate missed appointments by operatives and tenants orders are only given to operatives once BHP has confirmed that the tenant is at home and is available to have the repair carried out.

10.7 During the course of studying the previous system the project group went out with BHP surveyors and Linbrook Inspectors to observe how this process was undertaken. The operative's focus group was also consulted about the effectiveness and quality of orders raised by the Surveyors / Inspectors.

10.8 It was the view of the entire project group and the operatives that the role of the pre inspection added little value to the process and the quality of the inspections undertaken and the orders raised were poor with often over 50% of these orders needing to be varied and thus preventing the operatives undertaking the repair during the first visit.

10.9 Under the new system all repairs are immediately raised to operatives without having a pre inspection. (Except in the case of dampness and some other complex repairs).

10.10 The operative attends and completes all necessary works up to the value of £500. If the operative is unsure of what works to undertake or he thinks that the value is likely to go over £500 then he immediately telephones BHP and a surveyor or Linbrook supervisor is sent immediately to resolve the query so works can be completed during this first visit.

10.11 The pilot initially started by organising repairs in South Kilburn only. This proved to be effective, however it was accepted that this was well resourced in terms of operatives and office staff and therefore further testing of this system was required on a larger scale.

10.12 On the 19th May 2008 the pilot increased in scope to cover repairs in North Kilburn and South Kilburn. All the existing repairs staff based in South Kilburn who were not part of the original pilot team were merged into one team which required them to be trained in the new system and ways of working.

10.13 Increasing the size of the pilot area proved challenging as the manual systems that were suitable for a smaller scale pilot started to struggle with the increased workload.

10.14 Officers from BHP and Linbrook IT manager worked closely together to develop a bespoke IT system for managing this system called BLINK.

10.15 Officers worked closely with Linbrook IT and Brent's IT department to try and get BLINK and the councils V5 database to integrate automatically. It is felt that this is vital to the long term success of the project in order to cut down on current duplication that is in the system.

10.16 During the initial phase of the pilot all BHP and Linbrook staff were undertaking whatever task was necessary to operate the system. As the pilot area grew and more staff joined the team this became problematic and there were tensions between BHP and Linbrooks as to individual defined asks and responsibilities.

10.17 A workshop was held on Friday 27th June 2008 and specific roles and responsibilities were agreed as follow;.

11 Head of Responsive Repairs - BHP

- Overall manager responsible for Brent North and South Repair Teams
- Also responsible overall for newly created complaints team.

12 Repairs Manager

- Manager responsible for Brent North or Brent South Repairs Teams

13 Repairs Administrator - BHP

- Take calls
- Reception duties
- Inputting on V5/Blink, raising SRQ's
- Dealing with calls/enquiries regarding lifts, gas etc
- Decide if pre-inspection required
- Taking EET from operatives
- Day to day allocations
- Liaising with other depts.
- Standby's
- E-mails

14 Repairs Works Allocator - BHP

- Liaising with Technical Support
- Sharing V5/blink inputting duties with admin
- Push things on
- Planning future works
- Apply common sense around trade resource
- Picking up errors, feedback, coaching
- Managing old complaints

- Take call from operative of completed works including parts used
- Record finish time – multiple operatives, multiple times
- Check system to confirm operatives next customer/job
- Raise order on V5
- Complete order once authorised

15 Technical Support- Linbrook

- Advise allocations of work
- Technical advice & support
- Liaise with supervisors – directing
- Making decisions – subcontractors, extra pair of hands
- Follow-ups
- Managing sub-contractor works
- Decide recall or not

16 Operative Supervisor- Linbrook

- Visit operatives and subbies daily
- Maintenance of vans, parking permits
- Ensure compliance to 'standard'
- Check van stocks – site materials
- Liaising with Technical support/allocator/surveyor
- Residents liaison
- H&S issues
- HR issues (sickness)
- Post-inspections
- Training needs for operatives

17 Repair Surveyor -BHP

- Pre-inspections and feedback – writing reports for damp
- Attend forced entries
- Managing floods
- Liaising with other agencies
- Post-inspections
- Support 'big jobs' – authorising
- Trouble shooting
- Technical advice
- Supporting operatives – responsive, authorising (saying yes to what's appropriate)
- Group meetings

17.1 The system was then changed from the 2nd July 2008 and staff now

take on the roles as described above.

17.2 BHP Repairs Administrators receive calls from tenants

17.3 Details of works required are recorded and passed onto BHP Works allocators.

17.4 BHP uses BLINK and the White board to review all works pending to be allocated.

17.5 BHP Works Allocators telephone tenants and agree appointment for later the same day or the next day. BHP works allocators also plan each operative's first 8am appointment of the day. They also undertake forward planning for tenants who know they don't want work undertaken in the next week.

17.6 BHP works allocators issue the works via BLINK for the next available operative which they calculate from looking at the estimated completion time on their current job.

17.7 The BHP works allocator are to refer to an office based Linbrook Technical Support for advice on who to allocate work to and use of subcontractors etc.

17.8 Operative telephones into office and give details of works undertaken to the Linbrook Completion Administrators. They raise an order on BLINK and V5 which is then closed and ready for invoicing within 24 hours.

17.9 Where an operative thinks that the cost of the works are likely to be over £500, complex, or unsure of Linbrook responsibilities they telephone BHP and a surveyor is sent out immediately while the operative is on site to resolve the problem / authorise works so that the order can proceed and be completed on first visit.

18 Performance to date of Pilot

18.1 The performance results from the pilot were very encouraging for example;

- Over 99% of appointments have been met by Linbrook
- There have been a 75% reduction in no access from a tenant (previous amounts 50-65 per week)
- Average days to complete all repairs in the pilot was 4 days up to end of July
- Only one formal complaints was raised as a result of works undertaken during the pilot

- Out of hours report that number of reported repairs in pilot areas had reduced.
- Percentage of works undertaken by sub contractors fell from 53.53% to 7.17%
- Feedback from individual tenants re evidence of significant improvements in tenant satisfaction with the new service.
- Repairs completed on first visit (where practically possible) close to 96%
- 98% pass rate of post inspections of completed works.
- Local Councillors commented positively on the new system.
- BSI assessor reported very favourably on the improvement in service and system design during a recent accreditation inspection.
- BHP tenant board members commented very favourably on the effectiveness of the new system.
- BHP staff survey confirms significant improvement in the quality of service delivered to customers.
- 100% of staff in the pilot thought the working relationship with Linbrook improved.
- 57% of staff thought the standard of customer service has much improved and 43% thought it slightly improved.
- 100% of staff felt that the standard of service for plumbing was better
- 100% of staff felt that the standard of service for Carpentry was better
- 100% of staff felt that the standard of service for Electrical was better
- 86% of staff felt that the standard of service for decorating was better
- 86% of staff felt that the standard of service for Glazing was better
- 86% of staff felt that the standard of service for roofing was better
- Linbrook operative survey confirmed that new system of working is a significant improvement to the current system.
- 85% of operatives think the standard of service to customers is much improved
- 57% of operatives think the management of work programmed to them has been much improved and 29% slightly improved.
- 71% of operatives report that the new system is “much improved” in enabling them to complete works first time.22% say slightly improved.
- 50% of operatives think the level of communication between operatives and Linbrook / BHP staff is much improved and 36% think it is slightly improved.
- Brent Council Chief Executive visited and was impressed with the initiative to improve service delivery and a presentation on the service improvements was given to Brent’s 2008 Senior Managers Conference.
- Presentation to Brent Council project group set up to implement BVPI “Reducing Unnecessary Customer Contact” was favourably received.
- Failure demand has been reduced from 45-55% to approximately 20% under the new system.

- Orders are raised completed and invoiced within 48 hours. There as previously an ongoing backlog of over 4000 orders that were at “issued and overdue status”

19 Challenges to overcome following implementing Lean System for all responsive repairs

19.1 There were a number of further areas of work and challenges that needed to be addressed following the decision to roll out the systems thinking process across all responsive repairs which are described below;

20 Performance Management

20.1 The performance management system for monitoring repairs is based on the current contract conditions and reports are generated on the council V5 database by identifying different orders either by their priorities e.g. P0 P1, P2 pr P3or via the schedule of rates codes used. The pilot repairs system does not use Schedule of rate codes or the priority codes therefore alternative methods of providing performance information are continually being refined and developed.

21 Leasehold Issues

21.1 In order for leaseholders to be billed for communal repairs at the tendered rates it was previously necessary to raise these communal repairs via the Schedule of Rates so that the appropriate tendered value will be generated on annual reports that are required for billing.

21.2 Under the new system the actual cost of works are not recorded against the individual order number. The order shows on V5 at the agreed average value (which for the pilot was £85) In order to operate the new system and charge leaseholders a share of the actual costs of the works it was necessary to retrospectively substitute the average order value on V5 with the actual cost of the works provided by Linbrook. BHP provided Linbrook with a list of the communal orders undertaken in a particular period then they provided the actual cost of works against each order from their system which was transposed in Excel. This process has now been successfully undertaken In July 2008 for the annual service charge billing process.

22 Sub Contracted Works

22.1 Linbrook increased their direct labour force on this contract from 11 operatives in November 07 to 61 operatives in September 2009. There are however a number of trades that will continue to be delivered by sub contractors e.g. roofing, scaffolding, glazing, locksmith services, vinyl flooring. BHP and Linbrooks managers have now introduced monthly performance monitoring meetings with sub contractors. to focus on their performance and to ensure that their systems of working are compatible with BHP's new lean processes

22.2 Figures supplied by Linbrook show the percentage of works orders undertaken by sub contractors were;

2006	39.29%
2007	53.53%
2008	7.17%

22.3 It is worth noting that one of the main reasons for performance problems on the Brent contract was Linbrooks over reliance on sub contractors. This has now been resolved through the employment of increased direct labour.

23 Materials Pricing

23.1 In order to ensure BHP achieves full value for money in respect of materials purchasing it was be necessary for BHP to be involved in supply chain management with Linbrook.

23.2 Currently Linbrook source the majority of their materials directly from Travis Perkins, Builders Merchants. BHP needed to be satisfied that Linbrook are passing onto BHP the full discounted rates that they are getting from Travis Perkins and that there were no additional "cash back" in the form of credit notes that Linbrook receive directly from Travis Perkins for purchasing large amounts of materials.

24 Appointments System

24.1 The pilot system has largely moved away from a dedicated appointment based system. However there is a need for some customers to have fixed appointments and

Effective planning and issuing works orders to operatives requires mixed skills not normally found in one particular individual e.g. this task requires excellent IT and administrative skills but it also requires some in depth working knowledge of maintenance tasks. There were differing views between the contractor and BHP project team over whether BHP or Linbrook are best placed to carry out this function. It was the settled view that this is a task is shared and requires close co-operative between a BHP Repairs Allocator's and Linbrook Supervisors.

24.3 To illustrate the following was observed by the Director of Technical Services during a visit to the pilot.

24.4 A carpenter was issued with an order at 10.10am to replace a front door by the BHP Repairs Controller. The carpenter told the BHP member of staff that there was not enough time to undertake that work that day. The BHP member of staff accepted what the carpenter told them and began to arrange that work for the following day. The conversation was overhead by the Director of Technical Services who then immediately discussed it with a Linbrook Supervisor. The outcome was that the Linbrook supervisor spoke directly to the carpenter and insisted that they undertake the work the same day.

25 Works Operatives Supervision

25.1 Under the old systems used it was found that there was virtually no supervision of works operatives as the Linbrook supervisor's time was spent on doing large amounts of paperwork that could be called failure demand and was not helpful in delivering a good service to tenants.

25.2 One of the underlying principles behind Lean Systems is that if you treat the staff properly and give them a good system to work in they will respond positively and become more effective.

25.3 BHP has found this to be largely true through the experience of the pilot, however there is still concern that over the longer term operatives may slow down and become less productive i.e. take longer to complete works and therefore be less value for money.

25.4 The key to avoiding inefficient working is to have an effective system of operative supervision. It is proposed to have two supervisors in each area. BHP has

worked closely with Linbrook to develop these roles so that the supervisors undertake functions that add value to the process and the performance levels of individual operatives are established.

For example the supervisor must ensure that;

1. Visits operatives on a daily basis and check workmanship and attendance (hours).
2. Provides adequate guidance on job procedures to operatives
3. Monitoring the absence or inadequacy of any operative.
4. Reports any need for training of any operative.
5. Ensuring adequate cover in event of operative absence through sickness or otherwise.
6. Liaison with residents and reports any problems or complaints to base office.
7. Liaison where necessary, he liaises and/or consults with technical support; allocator; surveyor.
8. Ensuring all Health & Safety practices are adhered to.
9. Accident reports are properly documented.
10. Van and plant maintenance is to good standard.
11. Relevant parking permits, scaffold permits, etc. are valid
12. Check, on a regular basis, suitability and levels of all van stocks and ensure relevant paperwork is being kept up to date.
13. On job completion he post inspects a minimum of x% of works to ensure completion and adherence to standards i.e. check quality of workmanship and, where applicable, prepare a snagging schedule for action by operatives.
14. Preparation relevant timesheets, material usage, reports, and job assessment sheets.

26 IT

26.1 The current V5 housing repairs system is not designed around the functionality required to operate and manage the systems developed in the pilot area. As an interim measure BHP has worked closely with Linbrook's IT manager to develop a complimentary IT system called Filemaker. The system has been designed specifically to manage the systems involved in the new processes. The locally adapted version of file maker is called BLINK.

26.2 It is currently necessary to duplicate information on BLINK and on V5 so that BHP has the necessary repairs info on its system and so that the contractor can be paid in accordance with current invoicing requirements.

26.3 BHP has developed the Council V5 repairs system, which will now become the primary system for dealing with repairs. Automatic downloads will take place on the hour which will electronically download information from V5 to Linbrooks IT system thereby cutting out a lot of duplication and possibility for error. This is due to go live in November 2009.

27 Repairs and Complaints Performance Data for April 2009 – September 2009

Quarter 1 April – June 2009

- Percentage of repairs made and kept 99%
- Percentage of repairs finished on first visit 91%
- Percentage of tenants satisfied with the repairs service 97%
- Percentage of post inspections passed 97%
- Percentage of repairs resulting in complaints,1.5 %
- Percentage of Stage 1 complaints answered in target 94%
- Average number of days to respond to complaints 11 days
- Percentage of members enquiries responded to in target 91%

Quarter 2 June – September 2009

- Percentage of repairs made and kept 99%
- Percentage of repairs finished on first visit 92%
- Percentage of tenants satisfied with the repairs service 97%
- Percentage of post inspections passed 97%
- Percentage of repairs resulting in complaints 1%
- 15,409 repairs undertaken , 203 complaints received.
- Percentage of Stage 1 complaints answered in target 94%
- Average number of days to respond to complaints 11 days
- Percentage of members enquiries responded to in target 85%

27.1 BHP now regularly receives letters of thanks from Brent tenants and leaseholders, in relation to the standard of service they receive from repairs, these are recorded on BHP's staff intranet and a selection have been included in appendix 1 for information.

BHP received 1686 customer satisfaction cards from residents relating to Linbrook. Each card was read by BHP managers. There were 35 (2%) responses from customers who although confirmed they were satisfied with the repair they were not not fully satisfied with all aspects of BHP's repairs service. Each of these residents has been written to acknowledge their views and to explain what further measures BHP is taking to continually improve the repair service. Out of the 1686 cards received customers added written comments on 381 cards. These cards will be brought along to the Finance and Performance sub Committee meeting for members to review if they wish.

27.2 BHP is aware that the current repairs process is not perfect and there are still areas where improvements can be made and greater efficiency achieved particulary in the area of greater use of IT.. Managers and officers in BHP are currently repeating the CHECK process and studying how the current system is working to identify any waste that may have crept into the system since it was launched.

28 Management of Void Properties

28.1 Brent Housing Partnership undertook a review of its void management processes in 2005 and devised a strategy which brought all of the stakeholders in the voids process into a single team.

28.2 The contract to repair void properties was externally tendered and was won by BHP's Repairs and Voids Team for a period of 5 years extendable by a further 5 years. The contract started on the 1st April 2006.

28.3 BHP was able to bring all the stakeholders together upon relocation to the new office premises in Chancel House in 2006. Previously to that the direct labour organisation was located in offices on the St Raphael's estate, the voids management team were located in the Dyne Road Housing office and the voids viewing officers were located in Mahatma Gandhi House and the South Kilburn Estate office.

28.4 The contract to repair void properties now covers all the different types of works where as previously security, gas repairs and clearing of voids were undertaken by third party contractors.

28.5 There are weekly voids progress meetings held with the Director Technical Services and the voids team where the progress of each void is reviewed and performance

monitored.

28.6 BHP reports both on the average time taken to re –let council housing and the average time taken to get a property ready for letting.

28.7 In order to overcome any delays in the process that may be caused as a result of the Locata magazine only being published on a fortnightly basis, BHP is now able to advertise voids in Locata before they are actually vacated by the current tenants when we have been given notice that they are due to leave.

28.8 Voids turnaround performance has been consistently improving over the last three years;

Average Days to re-let council housing 2006/07 was 31 days
Average Days to re-let council housing 2007/08 was 27 days
Average Days to re –let council housing “008/09 was 26 days

28.9 The current performance for re-letting council housing for the period April to June 2009 was 28 days. BHP is confident of improving on this figure during the remainder of the financial year.

28.10 The average number of days taken to get a property ready to let is currently 23 days

28.11 The percentage of tenants satisfied with the condition of the property is currently 93%

29 BHP Capital & Responsive Report to performance & Finance select committee

29.1 This part of the report provides information relating to Brent Housing Partnership’s responsive and capital works programmes highlighting performance in these areas.

30 Context & Asset Management

30.1 Brent Housing Partnership (BHP) was created in October 2002 to bring Brent Council’s housing stock up to the decent homes standard. In March 2007, BHP became one of the first ALMOs in the country to complete its’ decent homes programme and achieve 100% decency in the stock we manage.

30.2 Since the end of the decent homes programme, BHP has focused on the ongoing maintenance requirements of the housing stock. BHP has implemented an element based stock condition database that is used to plan future programmes of work. BHP

has also prepared a capital investment plan which forecasts investment needed to the stock over a 30 year period. BHP has been working closely with the Council and its' partner organisation, Tribal Group to evaluate the investment plan. Tribal Group carried out a stock condition validation exercise in June 2009 to test the accuracy and suitability of BHP stock condition information. Results from this exercise were issued to the Council in July 2009.

31 South Kilburn Regeneration

31.1 The south Kilburn estate has been marked for regeneration for a number of years and was excluded from the original ALMO bid to secure funding to deliver the Decent Homes Standard to Brent Council's housing stock. However BHP was successful in a subsequent bid to include 775 south Kilburn properties that were previously marked for regeneration within the ALMO remit and thus bring them up to the Decent Homes Standard.

31.2 This left approximately 1700 stock that was still planned for regeneration. BHP's remit has been to manage this stock on a day to day basis until it is transferred to a housing association.

31.3 BHP was informed by Brent Council in Summer/Autumn 2008 that as a result of the current economic climate labelled the 'credit crunch' and falling property values, the regeneration scheme is not feasible in its current form. Brent Council has indicated that BHP would retain management of this stock for at least another five years.

31.4 Following this BHP has assessed the investment needed to these properties to ensure they are maintained to an adequate standard until they are demolished. BHP has submitted a number of progress reports and made recommendations to the Council relating to this issue which are summarised in points 3.6 to 3.21.

31.5 The Council has provided funding of approximately £3 million in 2009/10 to undertake recommended health and safety works.

32 Window Surveys

32.1 BHP has carried out urgent window repairs identified through a resident questionnaire and surveys. In addition to this width restrictors have been fitted to all communal windows. It is estimated that this work has cost in the region of £60k.

33 Window Repair Programme (High Rise Bison Blocks - Austen, Bronte, Dickens, Fielding, Gloucester, Hereford)

33.1 BHP has received tenders to carry out a full window repair programme with other general repairs and localised communal decorations. The tenders still need to be fully evaluated however the lowest value tenders equate to £2.3m.

34 Window Repair Programme (Medium Rise Blocks – Blake, Masefield, Wordsworth, Exeter, Durham)

34.1 It is our intention to undertake a similar window and general repair programme as above to Blake Court, Masefield House and Wordsworth House in the 2010/11 financial year. We estimate that this will cost in the region of £400k (111 properties at £3.5K)

34.2 We will also be considering a programme to replace the communal windows alongside a general repair and decorations programme at Durham & Exeter Court in 2010/11. We estimate the cost of this programme at £150k (72 properties at £2k).

35 Structural Survey

35.1 The survey found no underlying structural issues with the medium or high rise bison blocks and concluded there is no structural reason why they cannot continue in their present use with suitable maintenance.

36 Concrete Safety Testing

36.1 All bison blocks have been tested and made safe. We are currently awaiting quotes from specialised contractors before undertaking further remedial work. We estimate the cost of the remedial work will be in the region of £100k and expect this work to be complete by the end of 2009.

37 Communal Decorations

37.1 We do not expect to undertake any communal decorations in this financial year and will review if decorations should proceed in 2010/11 based on other priorities. We have still allowed a budget of £200k.

38 External Works & Window Repairs/Replacements to Town Houses (Hampton Close, Stafford Road, Stuart Road)

38.1 As these town houses will not form part of the regeneration scheme we will be preparing a specification for external repairs, decorations and window replacement by the end of the financial year with the intention of undertaking the work in 2010/11. We estimate the cost of the programme will be in the region of £240k. (30 properties at £8k each)

39 External Works & Window Repairs/Replacements to Low Rise Blocks (Neville House, Wood House, Zangwill House, 4-26 Stuart Rd)

39.1 The latest regeneration phasing indicates that all these blocks will not be demolished in the next ten years. These buildings are in poor external and decorative condition. In addition all these buildings have original critall windows which are in poor condition all of which would require repairs and/or painting within the next 2 years and then every seven years from then on.

39.2 We propose to undertake a programme of external repairs, decorations, and window replacement to these buildings in 2010/11. We estimate this will cost in the region of £320k (40 properties at 8k each).

40 Electrical Safety Tests

40.1 465 electrical safety tests have been completed out of a total of 747 dwellings in South Kilburn that had not been tested within 10 years as best practice recommends. The majority of properties tested required an upgrade to main earth bonds, earth cross bonding and replacement of the customer consumer unit. Some properties required a full rewire while a small proportion (5%) did not require any works

40.2 The cost of the safety tests and remedial works to all 747 properties is estimated at 700K. We have spent or committed £275k to date in the 2009/10 financial year. The remainder is intended to be spent by the end of the 2009/10 financial year or will roll over into 2010/11 depending on the access rate to properties.

40.3 A further 235 properties will require an electrical test up to 2015 with an estimated cost of £50k per year.

40.4 We have not included properties that are intended to be demolished before 2015 in these figures.

41 Remedial Work following Roof Safety Inspections

41.1 Roof safety inspections have been carried out to blocks where a danger has been specifically identified. The estimated cost of remedial work to South Kilburn blocks that have been inspected is £21k. We expect this work to complete by the end of the financial year.

42 Fire Safety Works

42.1 We have carried out a fire risk assessment of all the high rise blocks and undertaken necessary remedial works such as improving signage and fire doors. Based on assessments carried out we anticipate a volume of general remedial works will be required.

42.2 It is difficult to estimate the cost of the required remedial works as we will need to specify the works and approach several specialised contractors for quotes. We estimate that approximately £50k has been spent in this financial year to date and that a further £300k will be required for all fire safety remedial work which will be spent in 2009/10.

43 Lifts

43.1 Having analysed the condition and performance of lifts, we have identified 19 lifts that were last modernised 25-30 years ago and would benefit from modernisation within the next two years.

43.2 However when considering the intended phasing for regeneration some of the blocks are due for regeneration within the next five years; therefore on this basis we have revised our recommendation to state that these lifts should not be modernised unless the intended dates for regeneration are delayed or change so that these buildings will remain in occupation for more than five years. On this basis we are recommending lifts to the following blocks be modernised at a cost of £1.4 million.

44 Lifts Recommended to be Replaced

- John Ratcliffe House - £370k
- Crone Court - £350k
- Winterleys - £350k
- Craik Court - £350k

Lifts that will Not be Modernised

- Wells Court - £280k
- Wordsworth House - £130k

45 Communal Heating Plants

We have spent £40k in 2009/10 on upgrading the William Saville House district heating plant. We will continue to assess the expenditure required to ensure all communal heating plants remain operational and estimate a further £40k will be required in 2010/11.

46 Asbestos Removal Programme

46.1 A sample of void properties have been tested for asbestos content. The results of this exercise showed that it would be prudent to implement a planned programme to test asbestos in occupied properties. We propose to undertake such a programme and estimate an initial budget of £150k for 2010/11.

47 Door Entry

47.1 We will be replacing the door entry system to Wells Court in 2009/10 to replace the current system which is beyond economical repair. We estimate the cost of this system will be £50k.

48 Repairs to Surrounding Environment (Paving)

48.1 We estimate the total cost of all required repairs will amount to £50,000 and expect to undertake these in either 2009/10 or 2010/11.

48.2 A further note to make is that the estate is surrounded and dissected by paving that is the responsibility of the Brent Streetcare department which is in significantly worse condition than the paving on Estate grounds.

49 2008/09 Capital Programme

a. Brent Housing Partnership delivered various types of planned projects during the 2008/09 financial year. The following table shows projects that were carried out in full or in part during the 2008/09 financial year. The total spend from the capital budget during 2008/09 was £13.3 million.

Project Name	Type of Work
Contract 51 – Carlton House & South Kilburn Street Properties	External repairs and decorations including external cladding to Carlton House.
Contract 52 – Alpha, Gorefield, Canterbury	External repairs and decorations.
PS07001 – Various Properties	External repairs and decorations to street properties, kitchen & bathroom replacements to previous refusals, full refurbishment of long term void properties (34,35,36 Allington Rd, 116 Tennyson Rd, 25-30 Victoria Mansions)
PS07002 – Tackling Overcrowding	Single storey extensions or loft conversions to overcrowded

	households.
PS07004 – Slade Court	External repairs, decorations and window replacement.
MLO6001 – Kilburn Square Lift Refurbishment	Refurbishment of 3 lifts at Kilburn Square.
PS08052 – Carlton House & Slade Court Digital TV Installation	Installation of digital TV system to Carlton House & Slade Court

b. A customer satisfaction survey undertaken by an independent market research company resulted in a 94% satisfaction rate with the 2008/09.

c. Before and after photos of recent/current projects:

Slade Court (96% Satisfaction Rate)

Before

After

Carlton House (Satisfaction rate not yet available)

Before

After

Alpha House (Satisfaction rate not yet available)

Before

After

50 2009/10 Capital Programme

51.1 The value of BHP's 2009/10 capital works programme is estimated at £19.5 million. This includes £5.4 million of funding that has been brought forward from the 2010/11 MRA funding allocation into the current financial year. The government offered local authorities the opportunity to bring forward funding on the provision that funds are spent by the end of the 2009/10 financial year to assist the construction sector and the local and national economy.

51.2 The following table lists the projects that have been or are intended to be carried out in full
or in part during the 2009/10 financial year.

Project Name	Type of Work
Contract 51 – Carlton House & South Kilburn Street Properties	External repairs and decorations including external cladding to Carlton House.
Contract 52 – Alpha, Gorefield, Canterbury	External repairs and decorations.
PS07010 – Brentfield Estate Warmer Homes	External repairs, over cladding, double glazing, roof renewals, solar panels, water harvesting.
PS08014 – Kilburn Externals	External repairs, decorations, window repairs/replacement
PS08015 – Harlesden & Wembley Externals	External repairs, decorations, window repairs/replacement
PS08016 – Summit Court	External repairs, decorations, window replacement
PS08017 – 92 Sinclair Road	External repairs and decorations
CW09018 – Barry & Mandela Close	External repairs, decorations, window replacement
CW09019 – Joules & Landau House	External repairs, decorations, window replacement
CW09020 – James Dudson Court	External repairs, decorations, window replacement
CW09022 – William Dromey Court	External repairs, decorations, window replacement
CW09023 – Clarendon Gardens Estate	External repairs, decorations, window replacement
CW09026 – Alan Preece Court & John Barker	External repairs, decorations, window replacement

CW09027 – Geoffrey Jones & Haycroft Mansions	External repairs, decorations, window replacement
CW09029 – SKL Bison Blocks 1	External repairs, window repairs
CW09030 – SKL Bison Blocks 2	External repairs, window repairs
BSE060002 – Digital TV Installation Programme	Digital TV installation
PS08053 – Digital TV Installation to Alpha, Gorefield, Canterbury	Digital TV installation
Insulation Programme	Loft insulation and cavity wall insulation where possible
Electrical Safety Testing Programme to Dwellings	Electrical safety testing of dwellings and associated remedial works

52 2010/11 Capital Programme

52.1 BHP expects to undertake a limited capital investment programme in 2010/11 due to a large portion of the funding being brought forward into the 2009/10 financial year. Projects have not yet been confirmed for 2010/11.

52.2 BHP has also bid for a further £3.4 million from the Council to fund remedial work required to properties in south Kilburn and to address recommendations from fire risk assessments (mainly installing emergency lighting).

53 The Future

53.1 BHP will plan future programmes of work for each financial year based on the funding available, relative need, and priorities for that year. BHP aims to meet all commitments given to tenants and leaseholders through tenancy or lease agreements however will continue to prioritise health and safety related work.

53.2 The upcoming Housing Revenue Account (HRA) review by central government may change the landscape of how social housing is funded. BHP will continue to work with Brent Council to assess capital investment plans and the impact of the outcomes of the HRA review.

54 Access to Information

54.1 Access to information is non confidential

Contact Officer:-

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