



Havering
LONDON BOROUGH

Town and Communities Overview and Scrutiny Committee

31 January 2022

Subject Heading:	Housing Repairs and Maintenance – Briefing note
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Policy context:	LBH has a legislative duty to undertake repairs and maintenance works to its properties owned and managed by the HRA
Financial summary:	None – information only

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input type="checkbox"/>
Places making Havering	<input checked="" type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

SUMMARY

This report provides and a briefing to the committee on the current Housing Repairs and Maintenance Service, and an update on the procurement of the new contract.

RECOMMENDATIONS

That members note the contents of this report.

REPORT DETAIL

Responsive Repairs

Following a procurement exercise in 2014 a five year contract (with two 1 year extensions) was awarded to the Breyer Group for the delivery of responsive repairs to properties and communal areas held within the HRA. This contract is on a Price Per Property basis, and subject to inflation uplift. Repairs which are deemed “out of scope” are priced and agreed in accordance with a pre priced schedule of rates.

There have been significant challenges throughout the term, some driven by poor specification and contract management and some through poor performance by the contractor.

Through a proactive approach by both Breyer and Officers at the Council, LBH performance had significantly improved and we were operating at or around the required KPIs in regards to repairs completed on time and those completed “right first time”.

However, over the last few months performance has dropped for a number of reasons:

- Covid created delays which is typical for this sector, resulting in backlog.

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- Recent heavy rains have highlighted a number of further repairs and maintenance issues resulting in further increases in anticipated works required to the housing stock. We would normally expect the contractor to have circa 900 jobs as works in progress (WIP) at any one time. This, however, has increased to circa 1200 at the current time.
- Significant labour shortages have impacted the entire construction sector. Breyer have found it difficult to recruit both direct labour and sub-contractors which has further impacted on their ability to meet repairs deadlines.
- There have been significant delays in material availability in items such as roof products and timber.
- Given the anticipated end of the current contract there is a general winding down across a number of areas and this is flowing into performance.

Description	2021/22 Target	Value	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Percentage of Responsive repairs completed on time (12 month rolling)	95% (5%)	Bigger is better	88.01% ↑ R	87.81% ↓ R	87.67% ↓ R	87.50% ↓ R	87.44% ↓ R
Percentage of Emergency repairs completed on time (12 month rolling)	95% (5%)	Bigger is better	99.15% ↑ G	99.12% ↓ G	99.11% ↓ G	99.16% ↑ G	99.04% ↓ G
Percentage of Urgent repairs completed on time (12 month rolling)	95% (5%)	Bigger is better	80.59% ↑ R	79.68% ↓ R	80.44% ↑ R	79.77% ↓ R	79.30% ↓ R
Percentage of Routine repairs completed on time (12 month rolling)	95% (5%)	Bigger is better	78.23% ↑ R	78.61% ↑ R	78.68% ↑ R	78.78% ↑ R	79.32% ↑ R

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Percentage of repairs (appointable) completed right first time	95% (5%)	Bigger is better	97.53% ↓ G	97.24% ↓ G	97.23% ↓ G	95.19% ↓ G	97.14%↑ G
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We are continuing to manage Breyer closely whilst cognisant of a number of challenges and expect a challenging full demobilisation of the contract. As a contingency, the Council has a number of smaller contractors ready to support us should there be a need in the coming months.

With the current contract due to end we have been undertaking a fully compliant procurement exercise to secure a new contractor. Given the desire to deliver an improved service to our customers a 10 year contract is being procured which will provide better continuity and allow for ongoing improvement and investment in service delivery.

Due to issues arising during the procurement exercise this process has taken considerably longer than expected to complete, we have now undertaken the final stages and expect to be able to enter contract in January 2022 with the contract commencing no later than April 2022 following mobilisation.

As part of the procurement exercise we invested significant time in understanding our customer's views and preferences for the new service, and have considerably improved the specification and KPIs in this contract.

Taking this lesson learned approach has allowed us to identify a number of areas for improvement, including (but not limited to):

- Contract management – we are about to implement a series of training for those working on the contract to improve their skills around contract management, but also to better understand how the contracts works and be clear in what we have asked.
- Better cost control – we are introducing some external support for the start of the contract to ensure the cost elements are managed appropriately and the correct commercial tone is created from day one.
- Communication – communication with our residents was relatively poor, especially around follow on works, the contractors will be introducing live operative tracker apps for residents, booking appointments whilst on site and dedicated officers for vulnerable residents
- IT Platforms – the contractors have been given stringent requirements for their IT solution, with better interface with LBH systems and gives us live performance information, allowing us to proactively deal with issues as they arise.

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- Added value – we have included a significant, flexible, added value requirement, including a handyman service, discretionary decorating schemes, training and career development opportunities for residents and apprenticeships for care leavers in the borough.

Gas Servicing and Repairs

Due to the specialist nature of the gas service, in 2018, two specialist providers were appointed to provide responsive repairs and planned servicing to gas appliances and heating installations. The appointed contractors are K&T Heating for domestic installations and Stonegrove for commercial servicing.

K&T undertake repairs to all domestic heating as well as undertaking our Landlord Gas Safety checks (LGSR).

	Number	Jul	Aug	Sep	Target
Domestic Gas - General Needs		99.99%	99.99%	99.99%	100%
	8574	8573	8573	8573	
Domestic Gas - PSL		99.85%	100.00%	100.00%	100%
	658	657	658	658	
Gas Carcassing		100.00%	100.00%	100.00%	100%
	87	87	87	87	
Communal Gas servicing		100.00%	100.00%	100.00%	100%
	67	67	67	67	

Through significant collaborative work between K&T and the Council we have been able to maintain almost 100% gas compliance across our properties. By taking a more proactive approach and liaising directly with residents we have been able to maintain this position without having to resort to the need of measures such as legal warrants which have the effect of a significant cost and time saving for the Council.

We have undertaken workshops with K&T to get ahead of the winter season, which may bring increased breakdowns, and have implemented a number of measures including increasing van stock levels, carrying more temporary heaters, increased staffing levels and caps on annual leave over the winter season.

IMPLICATIONS AND RISKS

Financial implications and risks:

This report is for noting, there are no financial implications specifically relating this report.

Legal implications and risks:

This report is for noting and has no legal implications arising.

Human Resources implications and risks:

The comments made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

Equalities implications and risks:

No EQIA has been completed as this paper is for information only.