



To: Cllr Catherine Smart
Report by: Bob Hadfield Head of Estates and Facilities
Relevant scrutiny committee: Community Services 11 October 2012
Wards affected: All

**Repairs and Maintenance Improvement Plan – Progress to date and permission to procure associated IT solutions.
Non Key Decision**

1. Executive Summary

- 1.1 A progress report was requested at a meeting of Housing Management Board on 3 January 2012 in order to inform Councillors of the progress made to date on the Housing Repairs Improvement Plan and this report was presented to the meeting on 18 September 2012.
- 1.2 There is a budget allocation of £200,000 within the Housing Capital Investment Plan for the procurement of new IT solutions that are required in order to achieve the overall improvements to the repairs service. Officers are requesting permission at this meeting of Community Services Scrutiny Committee to spend this allocation.

2. Recommendations

Following consideration of this report at Community Services Scrutiny Committee, the Executive Councillor for Housing is recommended:

- 2.1 To give delegated authority to the Director of Customer & Community Services, following consultation with the Director of Resources, Executive Councillor for Housing, the Chair and Opposition Spokesperson(s) for Community Services, to select the most appropriate procurement route, whether that be by virtue of waiver of the requirements of the contract procedure rules (where

permissible), direct contract or mini competition from an existing framework agreement, or by full tender exercise, and if appropriate to tender and award contracts for the provision of new IT hardware and systems for the Repairs and Maintenance Service as outlined in paragraph 3.4 and 3.5 of this report.

3. Background

- 3.1 The Repairs Improvement Plan was agreed at a meeting in September 2010 of this committee as a means of improving the responsive repairs service.
- 3.2 A progress report was presented to this committee in January 2012 detailing the progress made to that point. This report intends to inform Councillors of the further progress made to the end of July 2012.
- 3.3 The Improvement Plan identifies six service objective areas for tangible improvement by September 2013 which are:
- 1 Improved Internal communication within the team
 - 2 Improved Technology and Innovation
 - 3 Improved Service Delivery
 - 4 Increased Resident Involvement
 - 5 Improved Inter-departmental working
 - 6 Improved Value for Money and Cost of Service.

3.4 Progress since the last report:

- 3.4.1 Staffing issues: Despite advertising the role both internally and externally, the Operations Manager post has been vacant since the team re-structure was implemented in January 2012; however a temporary Operations Manager has been appointed to support the team until a permanent post holder can be recruited. This is a crucial role in relation to the management of the repairs and voids section, and is fundamental to securing long-term improvements identified within the Improvement Plan.

The Improvement Plan Implementation Manager was appointed and commenced in the role in March 2012.

The Improvement Plan Support Officer resigned in April 2012 and a new officer will commence in the role at the end of August 2012.

3.4.2 Key Performance Indicators: The service quality is measured through a selection of Key Performance Indicators (KPIs). These are measured monthly in order to provide management information on the direction of travel and also published annually in a variety of forums. The position at the end of 2011/12 is set out in Appendix A of this report and compares the position then with the previous financial year where that information is available. It also compares our performance with the Housemark Benchmarking information where the best performing authorities' performance is assessed as top quartile. Although the desired targets have not yet been achieved, the direction of travel is positive overall and indicates that improvements have already been achieved through the measures taken and tasks completed to date.

3.4.3 IT Issues: It is anticipated that many service inefficiencies will be addressed by the installation of new IT solutions. These are:

3.4.3.1 Fault diagnostic technology: This product enables customer service staff to accurately describe the repair required through a series of structured questions leading to an accurate job order based upon a known schedule of rates. This will increase the number of jobs attended by the correct tradesperson along with the correct materials to carry out the work. There are various products available across the market, however the only solution that is supported by Orchard is the M3 Locator Plus product. Interfaces are the most significant area of failure between IT systems and the guarantee of support from Orchard is critical in order to ensure that any working problems encountered are resolved. Orchard provided a demonstration version and has quoted a price of £26,569 for Locator Plus, which includes four years support and maintenance costs.

3.4.3.2 Mobile working technology: This item was identified as the way forward during the soft market testing exercise that resulted in the repairs improvement plan. At present the repairs and voids service is managed manually via a paper-based system along with manual works allocation and scheduling. As a result there is a significant time lag in the production of management information and accuracy of feedback to the customer. Mobile working will enable the workforce to receive and update jobs remotely, providing substantial savings in the use of paper and

transaction costs. Access to real time information in relation to the status of jobs will improve and the improved scheduling ability will increase the overall efficiency of the service. In order to increase our knowledge of what is available, two market research days have been completed. Five external companies attended and provided extensive information that will help to inform how we construct our specification for this product. However, this technology will need to interface with the works management IT system (currently OPENContractor). A final decision whether or not to replace OPENContractor with an alternative and the best means by which this can be achieved has yet to be made (see below). No further progress can be made with this procurement until the decision about the future of OPENContractor is made.

3.4.3.3 Works Management IT system: At present the team is working with two IT systems namely Orchard and OPENContractor. This is a legacy from the previous client/contractor split arrangement that was dissolved when Technical Services and Building Services were merged into a single team within Estates and Facilities. OPENContractor has been problematic since its installation in April 2009 requiring a number of manual processes; therefore a review has been undertaken. All users were asked to identify problem areas and additional needs, resulting in a report that concluded that, in the main, the system now functions adequately, but there are areas that require improvement. These improvements could be addressed but would require input from the provider at a cost yet to be determined.

However, there is a concern that if we retain the current two systems, the number of interfaces associated with the implementation of a new mobile working technology will be increased. This is the area most likely to cause working problems, and will be a major factor in the final decision relating to the works management system.

It is critical that the decision concerning the management system to be used in the future is made based upon the best and most comprehensive information available, as this will impact upon the long-term operational efficiency of the service. As a result, the project group wish to visit sites where mobile working is in place in various configurations with other systems,

in order to speak to current users and identify the benefits and constraints of various options. At the time of writing this report (20 August 2012), these visits have yet to be arranged.

3.5 Permission to Procure new IT solutions

3.5.1 A deadline of September 2013 has been agreed for the completion of the Repairs Improvement Plan. There are a number of key decisions regarding the detail of what is to be procured that cannot be made until further information is available.

3.5.2 Given the tight deadline in place, this report requests that delegated authority be given to the Director of Customer & Community Services, to allow procurement of the most appropriate solutions by the most cost efficient means, providing the following safeguards have been met:

- Agreement to the proposals by the Information Systems Strategy Group (ISSG).
- Agreement to the proposals by the Repairs Improvement Plan Scrutiny Panel, which incorporates both officers and tenant representatives.
- Consultation with the Director of Resources, Executive Councillor for Housing, the Chair, and Opposition Spokesperson(s) for Community Services.

3.6 Project work plan Sept 2012 – Sept 2013

Service Objective 1 – Improve Internal communication

- Follow up and implement outcomes of staff focus groups (due to commence 5 Sept 2012) concentrating on the following four areas: (a) IT solutions, (b) Work Processes and Bureaucracy, (c) Communication and Morale, (d) Value for Money / Competitiveness.

Service Objective 2 – Improve Technology and Innovation

- Obtain Committee approval to proceed to procurement of new IT and permission to spend the budget allocated within the current capital plan. (This decision will be made at Community Services Scrutiny Committee on 11 Oct 2012.)
- Decision on the potential replacement of OPENContractor
- Procurement and Installation of Mobile Working technology

- Assessment and procurement of relevant hand held devices.
- Procurement and Installation of Fault Diagnostic technology

Service Objective 3 – Improve Service Delivery

- Demonstrate further positive improvements in the direction of travel of Key Performance Indicators
- Assess the pilot scheme in place offering late afternoon appointments (4pm – 6pm) on Tuesdays and Thursdays and investigate demand for extended operating hours to include Saturday mornings

Service Objective 4 – Increased Resident Involvement

- Identify areas where residents wish to be more involved in the service through the reformed ROAM (Residents and Officers Asset Management) group

Service Objective 5 – Improve Inter-departmental working

- Agree a process through which City Homes Housing Management staff can take appropriate action in properties where a disproportionate percentage of the repairs budget is being spent

Service Objective 6 – Improved Value for Money and Cost of Service

- Continue to reduce the significant use of sub-contractors in order to increase the productivity of the in-house workforce
- Reduce the burden arising from the use of sub-contractors by streamlining administrative processes, especially in relation to invoicing procedures
- Realise capacity within the workforce in order to extend the service to other departments within the council.

4. Implications

- (a) **Financial Implications:** An allocation of £200,000 has been identified within the Housing Capital Investment Plan, along with £50,000 ongoing revenue resource to fund license renewals, support and maintenance and associated costs of the new IT.
- (b) **Staffing Implications:** Staff will require training in the use of the new IT software and solutions as they are implemented. The anticipated increased productivity of the workforce will enable the

repairs service to be offered to other departments within the council, with the potential to generate income for the HRA.

- (c) **Equal Opportunities Implications:** The Impact assessment did not identify any major issues that cannot be resolved as a result of training etc.
- (d) **Environmental Implications**
Climate Change Rating:
- Impact assessed as Positive Low (+L)
 - There will be a positive impact resulting from the introduction of mobile working technology and improved scheduling of the works which will reduce mileage associated with the responsive repairs service
- (e) **Procurement:** There are no additional procurement implications to the issues detailed in paragraphs 3.4 and 3.5 in the body of the report.
- (f) **Consultation and Communication:** There is a communication plan in place that identifies the means for consulting with staff, residents, and other departments within the council. The implementation of new IT will result in an improved service to residents and as each element is installed an article will be included in the Open Door publication that is delivered to all tenants and leaseholders.
- (g) **Community Safety:** The Repairs Improvement Plan has no direct community safety implications.

5. Background Papers

These background papers were used in the preparation of this report:

Climate Change Rating

Equality Impact Assessment 14 Feb 2012

Report to Housing Management Board 3 January 2012

Report to Housing Management Board 28 September 2010

6. Appendices

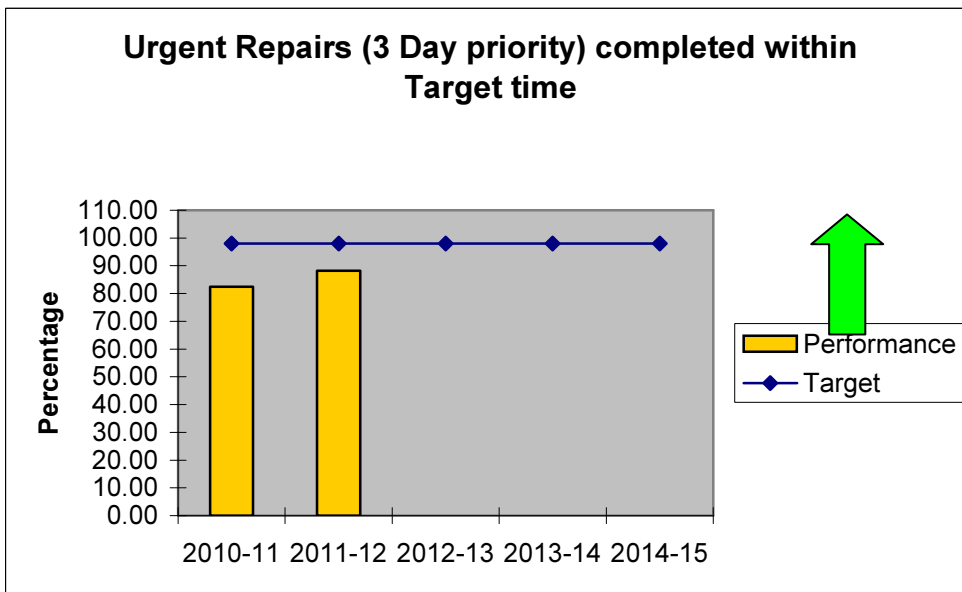
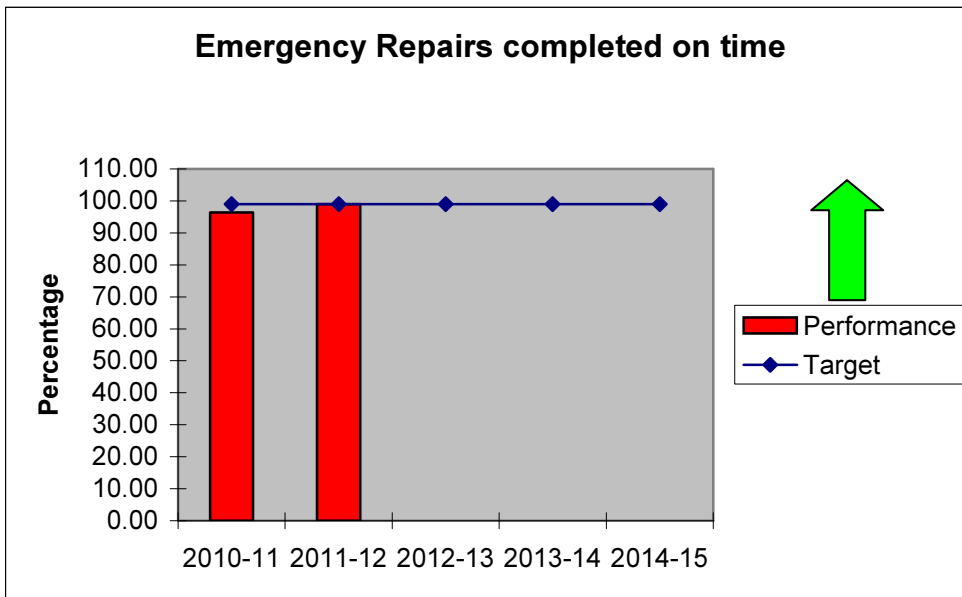
Appendix A – Key Performance Indicators

7. Inspection of Papers

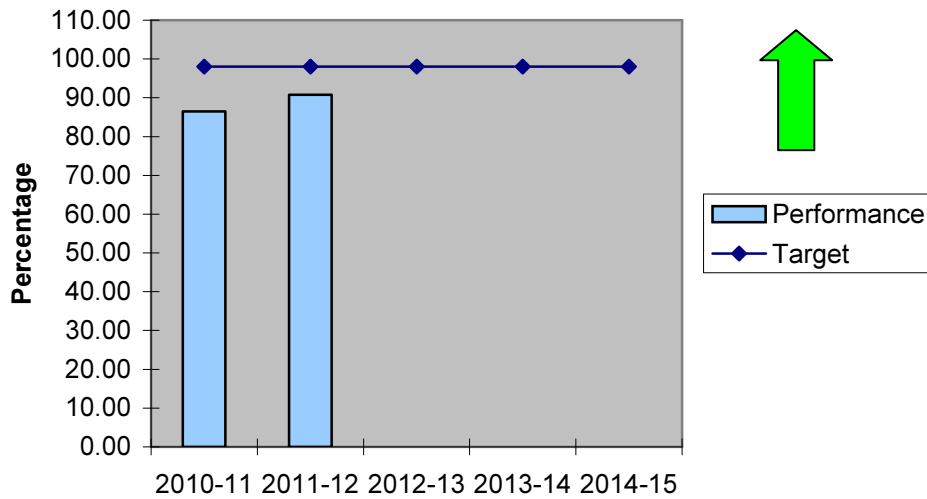
To inspect the background papers or if you have a query on the report please contact:

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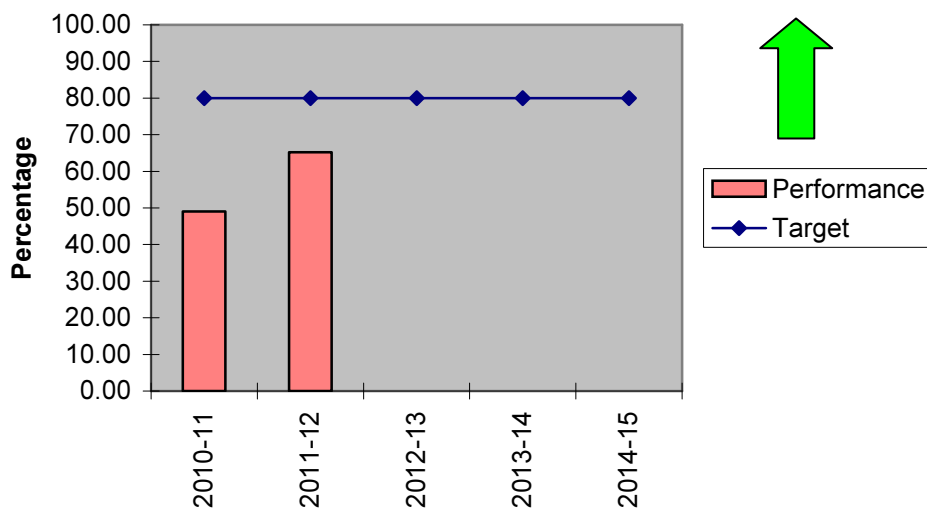
APPENDIX A – KEY PERFORMANCE INDICATORS AT MARCH 2012 FOR THE YEAR 2011/12

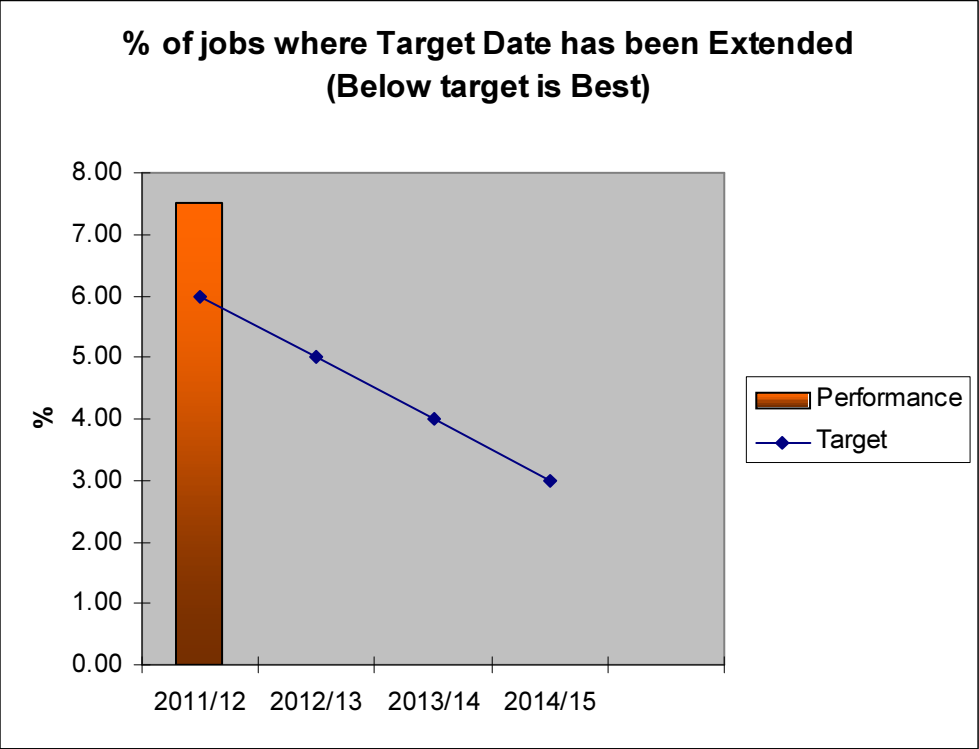
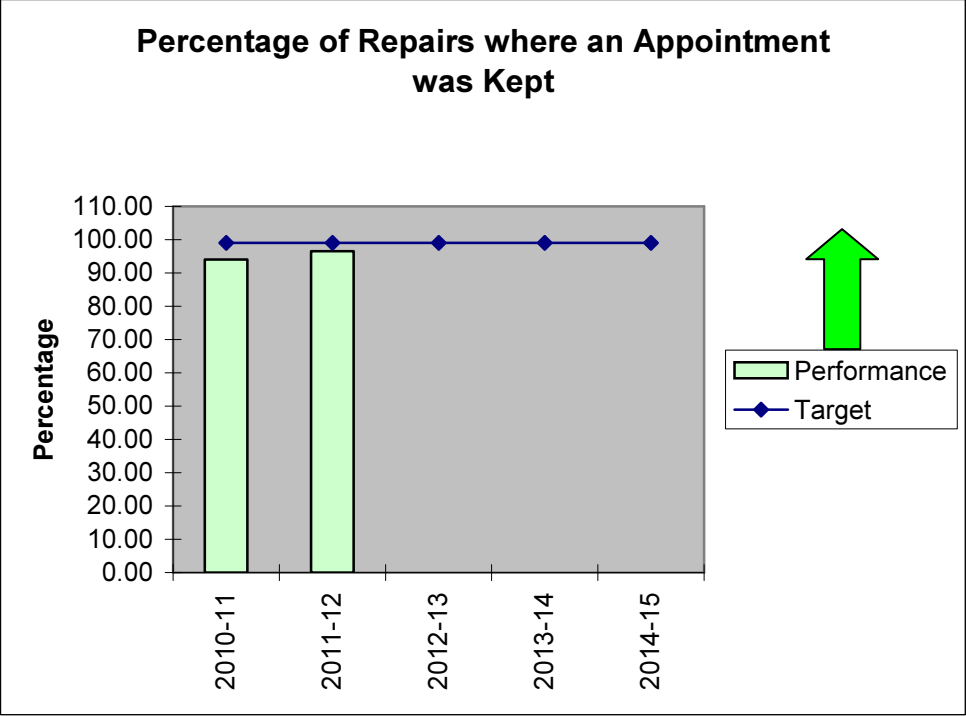


Routine Repairs (20 days) completed within Target Time

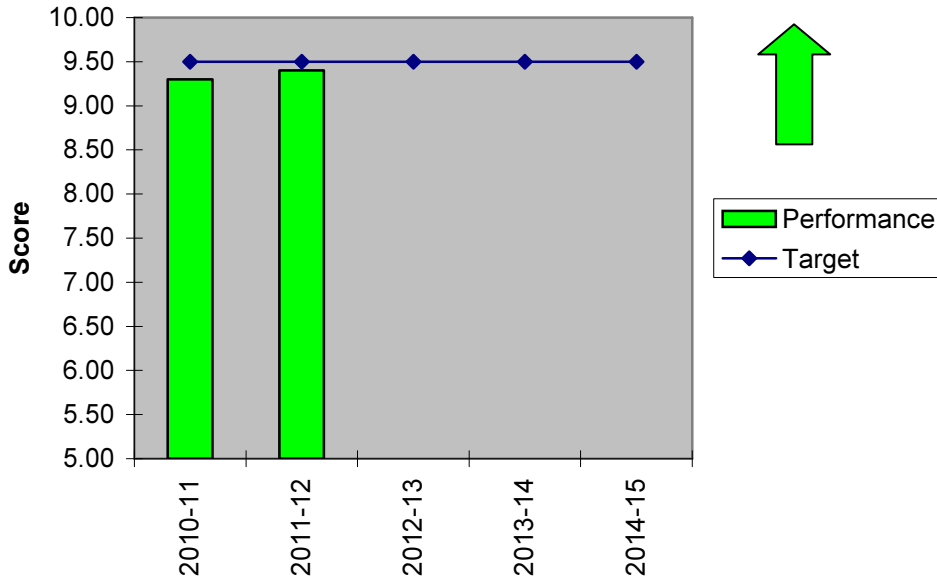


Percentage of Jobs where an Appointment was Made





Resident Satisfaction with Responsive Repairs



Average cost of Responsive Repairs (Below Target is Best)

