

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Neighbourhoods and Community Services Scrutiny Panel

**DATE:** 3<sup>rd</sup> September 2020

**CONTACT OFFICER:** Ian Stone (RMI Contract Manager) /  
R John Griffiths (Service Lead, Housing Development & Contracts)

**(For all Enquiries)** (01753) 875436

**WARD(S):** All Wards

### **PART I**

#### **FOR COMMENT AND CONSIDERATION**

#### **REPAIRS MAINTENANCE AND INVESTMENT (RMI) CONTRACT UPDATE**

##### 1. **Purpose of Report**

The purpose of the report is to provide an 'Information Update' to the Panel, as requested on the 22<sup>nd</sup> June on performance, of Osborne's delivery of the RMI contract

- Missed appointments (including missed appointments by residents in the report back on performance with regard to missed performance)
- Voids Update (including length of voids)
- Rechargeable repairs
- % target for appointments kept (emergency and urgent) in a different visual to being based on volume as at present
- Asbestos: Update on surveys and asbestos removal

The Panel is requested to offer feedback on Osborne '*Draft Annual Report*'. The comments will be added to Resident Board comments, which combined with Council's client team comments, will in partnership with Osborne form a final draft to be presented to the RMI Contract Strategic Board.

##### 2. **Recommendation(s)/Proposed Action**

The Panel is recommended to note:

- a) The contents of the report; and
- b) Osborne's 2019/20 annual report.

##### 3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

##### 3a. **Slough Joint Wellbeing Strategy Priorities**

The provision and maintenance of good quality and affordable housing can reduce housing need for local households and contributes to the identified priorities of the JSNA. The RMI is contracted to provide investment into existing council properties through a partnership approach between Osborne and the Council to sustain good quality homes that will improve the safety, health and well-being of the boroughs tenants.

3b. **Five Year Plan Outcomes**

The RMI contract is housing revenue funded from a 30-year business plan that has enabled the investment required to sustain an HRA Housing Asset Management Strategy to meet objective 4 'Our residents will live in good quality homes'. The RMI is intended to focus on making the best use of the borough's existing stock and provide better solutions to the needs and challenges through delivery of services, adopting excellent customer care and safeguarding and working to find these solutions in partnership.

4. **Other Implications**

(a) Financial

The RMI is a 7-year contract with an option to extend for three years. The contract is funded from the Housing Revenue Account and the business plan has set aside £100m for the Contract Administrator, Housing Development & Contracts Service Lead, John Griffiths to fund the annual expenditure of day-to-day repairs and maintenance, voids properties refurbished for reletting, and the major works programme e.g. kitchens, bathrooms, windows. The total spend can be up to £14m per year.

(b) Risk Management

The Panel is requested to note that the contractual governance outlined in appendix 1 offers a formal basis for management of risk through contract management, a framework for discussion intended to seek not just solutions but foster innovation through partnership initiatives. The structure of governance allows for a forum for the raising of issues, discussion on performance as well as commercial initiatives across the breadth of the contract. The levels of escalation and accountability are set out alongside basis for contractual scrutiny by members and residents.

**The Table outlines the context of risk management to the recommendations outlined in Section 2 from the Body of the Report**

<b>Recommendation from section 2 above</b>	<b>Risks/Threats/ Opportunities</b>	<b>Current Controls</b>	<b>Using the Risk Management Matrix Score risk</b>	<b>Future Controls</b>
a) Completion of the backlog of responsive repairs. And management of	RMI has regular updates from Osborne to monitor this each week.	Weekly updates and review. Dialogue through sub-	6 Medium	Further dialogue with Osborne over resource management

open repairs.		groups and OMB.		and delivery
b) Osborne Staffing and experience.	Osborne have recently 'back filled' a number of the vacant posts with staff from another Osborne contract.	Dialogue with Osborne and with the Council where the contracted staff have been relocated from.	6 Medium	Further dialogue with the other Council to ascertain who is paying for the staff and whether they work on both contracts.
c) Verification of performance data	Reviewing the initial findings of the IAA review of the performance data supplied by Osborne. Osborne has failed to provide data to substantiate a number of their performance results.	IAA to complete verification of all data.	12 Significant	Further IAA involvement to ensure all data provided is consistent and factual.
d) Resident perception of the service	The feedback from the Residents Board regarding the service is very critical of the service Osborne provides.	Through contract Governance, performance deductions	12 Significant	Further performance deductions where appropriate and issue of remedy notice were Osborne fail to deliver under the contract.

### (c) Human Rights Act and Other Legal Implications

The Homes (Fitness for Human Habitation) Act 2018 (the 'Act') adds hazards listed in the governments housing health and safety-rating system (HHSRS) set out in the Landlord and Tenant Act 1985. Tenants will therefore be able to legally compel their landlord to address any of the 29 HHSRS hazards, which ranges from fire safety issues to damp & mould or poor natural lighting and ventilation. The Act came into effect for new tenancies on 1<sup>st</sup> March 2019, but now applies to all existing tenancies.

### (d) Equalities Impact Assessment

The contractor routinely carries out equality Impact Assessments as part of operational service delivery.

(e) Workforce

The workforce delivering the RMI are Osborne direct employees or sub-contracted services. The RMI has a contractual payment framework that offers a monthly establishment fee and thereafter payment is based on the work delivered.

5. **Supporting Information**

The management of the RMI contract sits with the Housing Development and Contracts department and is administered through contract governance, regular management meetings, regular sub-group level meetings, resident board, and continuous dialogue on service issues.

**Information Update for Quarter 1 2020/21**

**Appointments Made and Kept:** A total of 1,749 Appointments (Urgent and Appointed) were made within this Q1 and 1,721 were kept. This represented overall performance of 98.4% for appointments kept.

**Voids:** 73 Voids were completed in total in Q1.

Percentage breakdown below for all Voids:

- 4% - 60 Day Voids
- 48% - 20 Day Voids
- 25% - 5 Day Voids
- 7% - 10 Day Voids
- 16% - 0 Day Voids

100% of all Targeted Voids were completed within Target. Co-location has had a positive impact on the overall performance within this work stream

**Jobs Completed:** There were a total number of 2,406 jobs completed of these 2,181 were completed in target. Post Inspections are carried out on a minimum of 10% of all jobs completed to ensure the quality of works completed is at a high standard and residents are happy with the overall experience. The Members Portal also allows residents to see these figures on a monthly basis.

**Non-Contractual Routine Repairs:** There were no non-contractual routine repairs carried out in Q1.

**Tenant Recharges:** There were 4 Tenant Recharges completed within Q1.

**Compliance Works**

Osborne and SBC maintained compliance on 100% Gas Servicing for the 28th consecutive month in July. All other compliance works have progressed in line with the contract and quarterly reporting to the committee, required by the HRA Tenanted Stock Landlord Compliance Strategy, is available at Appendix B.

**Asbestos**

Table below details contractors we currently use when completing Asbestos related work orders.

<b>Contractors</b>	<b>General Qualifications Held</b>
Mid Essex Asbestos Contractors	Certificate of Health & Safety Accreditation HSE Licence to undertake work with Asbestos Waste Carriage Licence Construction Line Gold Member
Cablesheer	HSE Licence to undertake work with Asbestos
London Labs	Asbestos Survey Air Testing Asbestos Analysis

### **Independent Audit Agent (IAA) Review**

The Independent Audit Agent (IAA) is an auditor brought into the RMI contract by both Osborne and Slough Borough Council. Their areas of focus are discussed and agreed by both parties through the Contract Governance at the Operational Management Board meetings which are held monthly. See details of the IAA role within the RMI contract in Appendix E.

The performance figures supplied by Osborne have been the subject of question by the Residents Board as not entirely reflective of the service on the ground. As above, to provide a clear independent assessment of all performance data produced by Osborne the IAA were asked to review all of this performance data.

The full IAA report is due for completion in early September. We can however outline some of the initial findings below.

- The IAA have found consistent variances between the data reported in the monthly performance reports to the Council, and the underlying data provided to us by Osborne. This is due to poor data quality (as verified in sample testing) and other actions, such as retrospective completion of jobs.
- Overall, this could affect the performance as reported to the Council and in turn could alter the amount of penalties that ought to have been applied on the contract. Due to the weakness of underlying data, it isn't possible for us to quantify this amount with any certainty. We have also found the methodology for calculating KDI's has typically been inconsistent over the life of the contract.
- There are a significant number of jobs being completed retrospectively, i.e. jobs are being completed in a month, after the performance report has been submitted by Osborne. As data extracted for the performance report is extracted on a completion date basis, jobs that are completed retrospectively in this manner slip through and are not reported against to the Council.
- We also obtained post-inspection reports to validate calculation of KDI 15. Again, we found discrepancies in the data reported. Some months, the post-inspection report matched the performance report (e.g. Jan, Feb, Mar 2020) while in other months, it did not (e.g. Sep 2019, which reported to the Council 141 less inspections than those carried out).
- Overall, it appears that based on our initial findings with data we have obtained from Osborne, the information supplied to the Council by Osborne has inconsistencies in terms of accuracy.

As at 11<sup>th</sup> August Osborne were unable to substantiate a number of the figures they had produced, particularly around the data reported on the call centre and the time taken to answer calls.

Through the clear governance and partnership working on the contract Osborne are provided the opportunity to raise issues and any concerns they have over the validity and consistency of their data at monthly contract sub-group meetings on performance and at OMB, Osborne raised no alarms with regard to the consistency of the data they have produced.

Following a number of complaints received in 2020/21, the IAA was asked to review the complaints process and how Osborne managed this. The IAA made the following statement following their initial review.

- Overall, the current complaints process is not aligned with that outlined in the contract. This will have to be reviewed and revised as appropriate. The general underlying reason for complaints appears to be poor communication between Osborne, residents and the Council, leading to potentially significant delays that are not managed with the resident.

### **Residents Board Provided Comments**

The Resident Board have been monitoring Osborne's performance for some time and their concerns have been growing, backed up by the feedback they heard at the Neighbourhood Forum meetings and Stage 3 Complaints Panels. This has led them to have little faith in the accuracy or truth of the performance reports they have received or the feedback from last year's satisfaction survey. They have also raised concern at the lack of communication from Osborne and the almost total lack of response by them to any information requests or the recommendations arising from Complaints Panel meetings despite the Panel being recognised by the Ombudsman as the Designated Person in Slough.

They have escalated these concerns to the Contract Manager and, as members of the Council's Neighbourhood & Community Services Scrutiny Panel they have also raised their concerns to the Chair. In response the Chair has invited them to attend the September Committee meeting so that members can hear their concerns first hand.

In light of their concerns in relation to the satisfaction survey, the Residents Board have been assigned to lead on this year's survey with questions heavily weighted to gain an understanding of the wider resident views on the contract.

The Osborne Annual Report has previously been presented to the Residents Board by Osborne Account Director for Slough Scott Hughes. The Board were unhappy with the report for a number of reasons including the period of time covered (not a financial year) and a heavy bias towards positive information that, again, they did not believe to be an accurate reflection of the situation. An extract from resident board minutes relating to item on the Osborne draft Annual report can be seen in Appendix D

In light of this, the Account Director and Contract Manager were asked to review the report and its contents and report back to the Board. As such the opportunity

now presents itself for Osborne to engage with the Panel and take on board comments on the draft annual report in Appendix C.

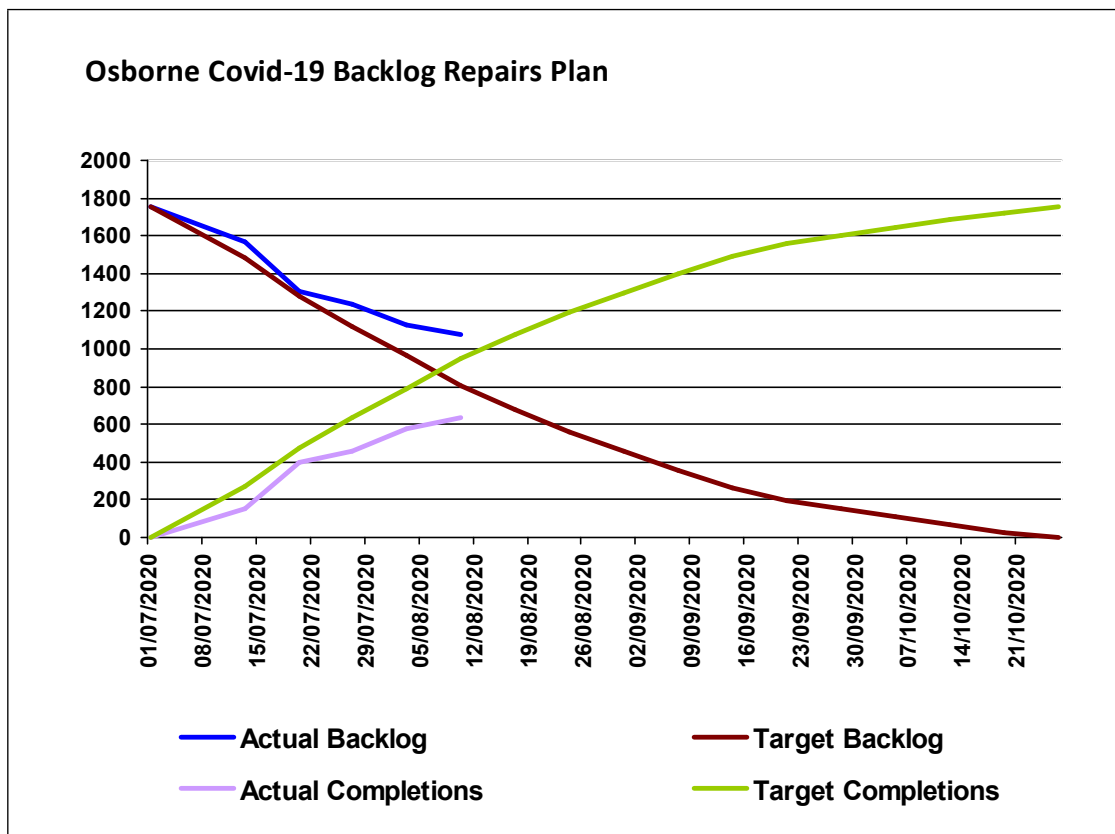
### Osborne Plan for Backlog of Responsive Repairs

Covid-19 has impacted upon the RMI as with many other services offered to the council. Osborne was asked to present a plan on how they were to complete responsive repairs delayed as a result of the lockdown. On the 6<sup>th</sup> July Osborne identified 1751 responsive repairs as the 'backlog' they also presented an overall list of uncompleted responsive repairs which totalled 1976.

Osborne presented a plan to clear this 'backlog' within 4 months and the progress of this plan can be seen in the chart below. There are as of 10/08/20 1075 number of responsive repairs 'backlog' still outstanding.

Whilst as the chart shows Osborne are broadly in line with clearing this plan, concerns were raised by SBC initially over managing this 'backlog' as well as managing incoming responsive repairs requests which were expected to increase following the lockdown.

On 11/08/20 Osborne presented a list of all uncompleted repairs which totalled 2726 responsive repair orders of which 1075 were the defined Covid-19 'backlog'. Osborne has been asked to explain how this has been allowed to happen and what resources and plans they have to reduce this number down to a manageable level. This has also been formally requested at the last OMB on 6<sup>th</sup> August.



### 6. Comments of Other Committees

None

7. **Conclusion**

This report has provided key information requested by Members, together with actions taken to address the backlog caused by COVID-19, but also advises of concerns raised by the Residents Board, and issues identified by the IAA and the RMI client team in relation to the validity of the data provided by Osborne.

The report also seeks to provide assurance that the clear governance structure and governance arrangements which underpin the contract are being stringently followed to ensure concerns are addressed, and all identified issues are proactively managed through clear action plans and continuous communication with senior officers and members of the council.

8. **Appendices Attached**

- A – Osborne Q1 Performance Report
- B – 2020/21 Q1 Compliance Update
- C – Osborne RMI 2019/20 Annual Report
- D – Exert from Resident Board Minutes 30/06/20
- E – Contract exert outlining IAA role.

9. **Background Papers**

None.