

SLOUGH BOROUGH COUNCIL

REPORT TO: Extraordinary Neighbourhood and Community Services Scrutiny Panel

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PART I **FOR COMMENT & CONSIDERATION**

REPAIRS MAINTENANCE & INVESTMENT (RMI) CONTRACT UPDATE

1. Purpose of Report

The purpose of the report is to provide a 'Follow on Update' to the Panel following the panel meeting on 18th November 2020, focused on the performance of Osborne's delivery of the RMI contract covering the following points.

- Progress against key performance indicators;
- Osborne's Service Improvement Plan and WIP Reduction Plan;
- Results of the Resident's Satisfaction Survey (some Panel members attended one of the presentation sessions on this);
- HR data on number of local people employed by Osborne;
- Detail on the social return on investment from the contract;
- Data/information on the number of estate inspections that had been carried out and timescale for future inspections.
- An update on the report of the Independent Audit Agent (IAA);

2. Recommendation(s)/Proposed Action

The Panel are recommended to note and comment on:

- a) The contents of this report and progress made
- b) The contents of the presentation
- c) Future reporting requirements for the RMI including financial year-end report and separate quarterly RMI updates on landlord statutory compliance in HRA tenanted stock.

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 Property

Services Limited 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 a 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 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 committee are requested to note that the contractual governance 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.

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score risk	Future Controls
a) Completion of the backlog of responsive repairs and management of open repairs.	Uncompleted repairs are leading to complaints. Opportunity to change perception by completing these repairs.	There has been a significant reduction in the number of backlog repairs, this continues to be monitored weekly by SBC.	3 Low	Continued focus on the uncompleted repairs from both Osborne and SBC.

b) Osborne Staffing and experience.	Osborne have covered all the senior posts within the contract, some supervision posts are still to be filled.	Dialogue between SBC and Osborne at OMB to ensure the structure meets the demand.	3 Low	Continued dialogue and open communication to ensure the right people are working on the contract.
c) Verification of performance data	Inconsistencies have been identified in the performance data supplied by Osborne.	Each set of monthly data to be fully analysed and updated year to date to be submitted each month.	6 Medium	With full consultation of the Residents Board, better and clearer defined performance measures will be implemented following the IAA recommendations.
d) Resident perception of the service	Although the aspects of the service have improved the volume of complaints and enquiries remains high.	Through contract governance, resident board involvement. Fortnightly complaint meetings.	12 Significant	Continued high focus on the causes of complaints and improvements to procedures to avoid the same mistakes being made.

(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 1st 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**

- 5.1 At the meeting on 18th November 2020 the Panel expressed frustration about the data that was presented and asked for change; Information needed to be presented in a simple and coherent way to enable members to see trends at a glance, see and learn what is working well backed by evidence to provide confidence in the figures reported and where things are not going well, be given information on what the partnership is doing to fix the issue.

This report aims to achieve what was requested and the RMI Client Team and Osborne welcome comments and feedback for future reporting.

The report does not include information on landlord statutory compliance which, is delivered by the RMI contract and will be reported to the Panel on 25th February 2021 as per quarterly reporting specified in the HRA Tenanted Stock Landlord Compliance Strategy (August 2019).

5.2 Progress against key performance indicators (see presentation slides)

Call Centre

Members and residents have expressed concerns and reported issues with not being able to get through to the call centre, having to wait a long time before a call was answered, which in turn contributes to a lack of confidence and frustration and calls being abandoned.

Osborne recognised this area needed attention as the service being offered to our customers was not at the level, any of us were happy with. An improvement plan was implemented which has included;

- Employing a Customer Service Assistants Team Leader and appointing 7 new Customer Services Assistants (CSAs) during 2020/21 to address vacant posts where staff have left the service. Currently there are 9 CSAs within the team that are able to pick up the phones.
- At the height of the poor performance, Osborne operated 6 different phone lines so calls were being filtered to different people (New Repairs, Repairs Enquiry, Gas Repairs, Planned Works, Gas Servicing and OOH) so if there was a issue in one area customers experienced longer than acceptable waiting times and calls were lost. Now all calls are back directly into the call centre and there are sufficient numbers of staff to take the calls.
- The addition of the CSA Team Leader has meant CSAs' have more daily support and are able to escalate and resolve issues promptly. The Team Leader monitors CSAs' ensuring work orders are being diagnosed correctly. Success is celebrated which has helped improve the morale and motivation within the team and will contribute to staff retention.
- Daily Briefings have helped the team to see how well they performed the day before, performance across the month, targets and team priorities of the day and individual targets. Osborne are pro-active in their approach to monitor any issues and reacting quickly to address concerns.

Performance is recorded and monitored against two indicators, both of which are now being delivered (see slides 2-7):

- KDI 5 – Average call waiting time
- KDI 4 – Number of calls lost / abandoned

Osborne will continue to work with the improvement plan to sustain the service and deliver training and support as they identify areas of risk and individual need. Things have definitely improved which is borne out by feedback from the neighbourhood housing teams, the Residents Board and from Members who have all commented on less 'noise' around the call centre. Calls are recorded and can

be monitored when required, information is available to the Client Team, the Residents Board have also been offered the opportunity to visit the call centre and see how it operates first hand. A screen on a wall near the team immediately flags RED if the call centre is in non-compliance and action can be promptly taken to turn performance back to GREEN.

Void Completions

We have measured the average number of days to complete void works as this represents a better measure than the existing KDIs. The KDIs, as identified by the IAA audit measured the system dates from void specification approval to completion on a void by void basis with a pass/fail depending on the priority. This measure failed to capture the time taken by Osborne to produce the specification of works and hence didn't represent an accurate measure of the entire void time. Measuring the average gives an accurate assessment of the time properties are void and rental income isn't being gained.

Void performance remains a key focus area for the client team noting a general downward trend in the average number of days (see slide 8). There was a spike in early January, a result of the Christmas period, annual leave and material shortages, but also impacted by the return of 4 long term voids. We continue to work with Osborne, monitoring service performance to ensure the agreed improvements are achieved and now that many of the longer span voids have been completed performance is expected to improve in the coming weeks. Voids are monitored through weekly update reports provided to the Client Team

Uncompleted Repairs

The number of uncompleted repairs has reduced significantly; the target is still not being met though. Much of this however, is due to issues surrounding the second and then third national Covid-19 lockdown. The lockdown presents significant issues for Osborne, where there is no access / access is refused by residents, shortages of material and available labour also cause delays in completing repairs. The progress of overdue works is monitored weekly and slide 9 shows the current position of all outstanding works to be completed – this includes work that is overdue and all gas and response repairs to be delivered but are not overdue.

Most of the complaints being received from residents and Members are about uncompleted repairs and there are cases where more than one repair issue is being reported. The Client Team have raised concerns over 'complex' cases which are not being actioned in a timely manner, subsequently increasing complaints and frustration amongst residents and Members. These cases may require multiple repairs, external works and potentially capital investment. Some of the issues are long-standing. Osborne have responded positively and are developing a proposal to deal with these cases in a different way to ensure they have dedicated focus and are not left whilst the focus is on reducing the volume of outstanding repairs.

For a contract of this size and SBC stock levels we would expect © 1000 works in progress (WIP), the number as at 25th January was 1533 so there is still work to be done to meet the target but progress has definitely been made and continues to head in the right direction, considering this peaked at 4450 in September 2020, the improvement is significant and has greatly reduced the number of general enquiries coming into SBC.

To ensure data integrity and evidence that repairs are not being closed which have not been verified as fully completed, or completed to a required standard we have worked with Osborne to introduce several new steps;

- As works are completed, the operative provides a description of the works undertaken along with supporting photographs all of which is captured in their operating system “Dynamics”. These critical steps are mandatory which enables both Osborne and our Client Team to carry out additional quality checks
- We are introducing a new process, beginning in February to gather ongoing evidence of resident satisfaction, through calls made by both the Client Team and Osborne call centre (who are already doing this) to verify repairs have been completed and measure satisfaction with the repair, whilst also providing the opportunity for comments on any other aspects of the service. The findings will enable continuous review, identify learning and implement further improvements where needed.
- 10% post inspections of repairs completed are being undertaken by both the RMI Technical Team and Osborne supervisors/planners. Issues are immediately being picked up and applications for payment analysed to ensure payment is made only where jobs are completed satisfactorily.
- There is still some work to be done to tighten Osborne processes so more work is undertaken by the Client Team to verify applications made each month for payment. The measures detailed above and below will support this requirement and as confidence grows the Client Team review will be less onerous but remain diligent.
- Osborne, through their new ‘Dynamics System’ are able to offer access to SBC of ‘before and after photographs of repairs’ which will also be used to do desk-top verifications and support us to deal with enquiries and complaints more efficiently.

Complaints/Casework

The volume of overdue complaints in 2020 was simply not acceptable and we needed to take action. The RMI Client Manager and Osborne Operations Manager have worked together to develop processes in both teams to tackle this head-on.

- Osborne have appointed two Service Delivery Specialists who are proactively working with residents to deal with outstanding matters. Very positive feedback was given at the Residents Board from those that had experienced direct contact with the officers, who have started to make a real difference in the short time they have been here.
- The Operations Manager has diligently applied herself to clear the overdue Members casework from 2020 and is working closely with the RMI Client Team to manage and monitor the 2021 casework/complaints/enquiries that are being received so they are responded to within SBC timelines.
- The RMI Client Team are working at the front end, when logging cases on Intellex to identify where requests have been submitted multiple-times on the same issue. We recognise that some of this may be out of frustration at not having the issue resolved, although, there are instances where a repair has not been reported but the matter is escalated.
- The volume of casework and complaints remains high (slides 10-13). We will continue to clear outstanding repairs/complex cases working with Osborne, and coupled with the partnership approach to dealing with issues we will continue to improve, whilst accepting that there will always be matters that have to be resolved given the nature of the contract.

Appointments Made & Kept

The percentage of appointments kept is trending downwards, the cause of this is partly due to the high volume of works being put through to catch up with the backlog of uncompleted orders, but mainly this is due to pressures caused by the Covid-19 lockdowns, which result in operatives reporting in sick or having to isolate, also residents changing appointments due to isolation. This will continue to be monitored closely by the team (slide 14). All services remain fully operational, however with the rise in Covid-19 cases and equally experiencing a greater number of isolation cases and changing appointments these past weeks, continues to present a challenge in achieving this performance target. The client team will continue to monitor this closely over the coming weeks.

Right First Time

The IAA highlighted that the methodology and definition around this KDI were not at all prescriptive. This led to Osborne reporting the data and capturing more repairs as completed right first time than the residents perception of this maybe, due to the lax definition. We have proposed a redefinition of this KDI which will be discussed with the Residents Board and ensure a more meaningful measure of this key indicator.

New Performance Measures

We have been working together to consider new performance measures which we will begin collecting information on from February. These, we believe will give us more meaningful data than some of the indicators currently measured within the contract. If successful we will consider a contract variation to embed the changes.

At a meeting with the Residents Board on 26th January we also agreed to attend a workshop to consult with residents on what information they would like to receive and we will work with Osborne to capture these measures and report on this in future updates to the Residents Board and the Panel.

These performance measures to be collected from February include;

- Repairs completed in one visit
Enables SBC to track the improvement Osborne are making in allocating and booking in works without altering the original appointment, ensuring the correct materials are available immediately. Resolving issues once.
- Number of Repairs due in the Month that have been completed in target
The number of responsive repairs due in the month which have a completion within the target date set. As identified in the RSM report, this performance measure focuses on all repairs providing greater transparency around all activities in support of improving performance
- Resident Satisfaction with Repairs Completed
To demonstrate a more balanced and robust approach in capturing residents' feedback we have amended the questions asked by the call centre and the way in which this is captured. The Residents Board will be consulted on this approach and further refinement may be undertaken.

	OPSL - RMI Contract		
	Total Number of Employees	Reside in Slough	Reside within 5 Miles+ of Slough
OPSL Staff	84	49	35
Sub Contractors	53	2	2

- Average number of days to complete Voids
As already noted, the purpose is to establish a measure for monitoring the overall performance of the voids service which allows for the differences in the nature of the void works and tracked with greater transparency.
- Accuracy of Cost in Repairs applied for
The client team will be undertaking additional % inspection of all completed repairs to ensure continued improvement while continuing to address robustly, any inaccuracies
- Number of complaints escalated from stage 1 to stage 2 in the month
This indicator will examine the quality of both investigation and handling of the complaint at stage 1. The focus is on resolution at stage 1 wherever possible.
Osborne also to propose an additional measure that will track by complaint status, the response time through to resolution. Again, to monitor quality and performance of complaint management with greater transparency

5.3 Social Return on Investment (SROI)

Osborne's commitment to supporting people across Slough remains resolute. There is a recognition that the needs of the community are changing and more focus is required to support vulnerable groups with the issues of isolation, unemployment, and wellbeing. These priorities have been recognised by the government who have introduced a new public procurement model that takes greater account of the additional social value created by contractors and is being implemented from 1st January 2021.

Osborne have a dedicated officer responsible for development, and management of SROI delivery, Claire Giacobbe is the Community Investment Manager. A number of slides (slides 15-20) have been prepared to provide the Panel with an update on the significant work that has been done, even during lockdown to support Slough and vulnerable people which Clare will be attending to present at the Panel meeting.

Osborne Resourcing

The Panel requested information on staff employed by Osborne on the RMI contract who lived in the borough of Slough. Details are included in the tables below, showing more than 50% of employed staff live in Slough. Osborne use a range of sub-contractors for specialist works and to provide additional resources as and when required. A review of the sub-contractors supporting the RMI contract revealed 2 of the 53 subcontractors are local Slough businesses, however, overall, they employ 41 local people residing within the Slough boundaries.

Apprenticeships and supporting people into employment

- Osborne work with local colleges/schools to provide opportunities/local work experience and jobs
- A relationship has been developed with Windsor Forest College and all new apprentices will attend the college from 2021.
- An example of Osborne's response to unemployment in Slough, saw them collaborate with others to launch an online 'Employment and Wellbeing' course, to build confidence, identify individual strengths and to support career pathways. From February – October 2020, they have worked with 25 learners of which 8 are now in employment and 5 are enjoying volunteering roles. Case Studies are attached at Appendix B.

OPSL - RMI Contract			
	Total Number of Apprentices	People into employment Slough	People in attendance to our course
OPSL Slough	7	8	32

Reviewing the delivery of SROI commitments and progress - Slough £ invested in Slough

- SROI will be measured using 'Thrive'
- Thrive has now been adopted by Osborne as the group social value measurement tool. Training was rolled out on 28th January, and Slough data will be loaded in February and will be translated to provide a £ value.

5.4 Results of the Residents survey (update from Information & Participation Manager)

The results of the annual resident satisfaction survey were presented by M.E.L on 10 November 2020 to an audience of residents, members, neighbourhood officers and officers from other Council service areas. The presentation is attached at Appendix C. This year the survey was led by the Resident Board who were involved in both the commissioning of M.E.L (the market research company) and setting the questions to inform their co-regulation and scrutiny activities as well as testing their perceptions of the quality of the service in light of their engagement with the Neighbourhood Forums and Stage 3 complaints.

A summary of the findings is included at Appendix D which shows that overall satisfaction has dropped from the previous year's report in a number of key areas (slides 21-25). The infographic report (Appendix E) and feedback for residents is in the latest edition of Housing Highlights that will hit doormats in February.

Work needs to be done to develop an improvement action plan but this is currently on hold pending transformation when new job roles and responsibilities will become clear. The White Paper published in November 2020 also needs to be considered to ensure the requirements of both are incorporated. The Resident Board and Scrutiny Groups will be picking up on

5.5 Estate Inspections - Update from Neighbourhood Managers

It was reported at November's Panel meeting that housing officers would be recommencing estate inspections, and that these would be carried out by single

officers. Since then amidst a second lock down and then the third coming in prior to the end of December, some progress was made (slides 26-27).

Across the borough, 107 inspections were carried out, many were street and outside of blocks picking up issues such as fly tipping, abandoned vehicles and tenancy breaches, putting in motion consequent action. One of these inspections did involve a Councillor and a walk around. Taking account of Government Guidance, internal inspections of blocks were limited but driven by fire risk assessments. On a monthly basis, over and beyond what housing officers identify, independent inspections are carried out of blocks, and any risks identified are provided to each housing team. Housing officers prioritise these, visiting as necessary, identifying any other issues of concern.

Since November, there have been 30 inspections in the South, 52 in the North and 25 in the East. Going forward for this quarter, fire risk assessment actions will be the priority with limited estate inspections. Once this lockdown is over, and taking account of transformation and any changes in guidance, housing staff will work closely with the Residents' Board and Councillors to move to a more thorough estate inspection regime, and ways in which Councillors and residents can be more involved.

5.6 Independent Audit Report Update

The report prepared by the IAA is in draft format and is 90 pages long. We need to remove duplication, re-organise the sections and present it in an easily readable format in order that it can be used throughout SBC and Osborne teams as a reference point to understand and drive service performance. Notwithstanding this, the key findings are already shaping the improvements evidenced earlier in this report. A new SBC Client Team is now being recruited to, following the outcome of the Our Futures Consultation, and this team will work with IAA and with Osborne to refine the draft IAA report and to carry out the audit of the full contract that Cabinet has now agreed should take place. The IAA report will form a baseline from which to review improvements being made, identify areas where further improvements are needed and make further recommendations. The terms of reference for the audit will identify the areas of audit which will be refined in consultation with stakeholders.

6. Comments of Other Committees

The Cabinet accepted, at its meeting on 18th January 2021, the recommendation from the Panel that an audit of the full contract will be carried out as soon as practically possible.

Terms of reference for the audit and timing will be discussed with the Chair of the Panel by the RMI Contract Manager.

7. Conclusion

This report, along with the presentation attached at Appendix A provides key information on the RMI contract performance. The report highlights issues that need to be resolved as we review and analyse data to measure and improve the service. 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.

Recognising the need to change and improve processes that are not working, a review of skills and opportunity to look at doing things differently are being embraced by Osborne and good relationships have now developed. This has been in line with a change in Managing Director at Osborne Property Services and other key senior staff at Osborne who in their approach are only interested in collaboration and partnership working to deliver necessary improvements in the services provided to residents. Considering the very low level of service SBC received during the Summer of 2020 we have seen evidence of this change, there is still much work to be done but Osborne are now receptive to making real efforts to improve and deliver the service which the contract sets out.

8. **Appendices Attached**

A – Presentation - Performance and Improvements

B – SROI Case Studies

C – Residents Satisfaction Survey 2020 M.E.L. presentation

D – Residents Satisfaction Survey 2020 – Summary Report

E – Residents Satisfaction Survey 2020 – Infographic

9. **Background Papers**

None