

<b>SUBJECT:</b>	<b>PERFORMANCE REPORT – HOUSING REPAIRS SERVICES</b>
<b>DIRECTORATE:</b>	<b>HOUSING AND REGENERATION</b>
<b>LEAD OFFICER:</b>	<b>MATT HILLMAN – MAINTENANCE MANAGER PAULA BURTON - HOUSING QUALITY &amp; PERFORMANCE TEAM LEADER</b>

**1. Purpose of Report**

- 1.1 To update Committee on the financial position of the Housing Repairs Service (HRS) at the end of the 2016/17 financial year.

**2. Executive Summary**

- 2.1 HRS have had a year of success during 2016/17 with the performance of the service significantly improving.
- 2.2 HRS made a surplus of £205,654 for the year.

**3. Financial Position for 2016/17**

- 3.1 For 2016/17 the Council's HRS net revenue budget was set at zero, reflecting its full cost recovery nature.
- 3.2 The financial performance quarterly monitoring report for the 3<sup>rd</sup> quarter predicted a deficit outturn of £50,000 for 2016/17. However, as reported during the year there has been a great deal of uncertainty over the trading position of HRS due to reporting delays resulting from implementation of the new building maintenance IT system (Servitor). The outturn for 2016/17 now shows an overall surplus of £205,654.
- 3.3 This surplus is the result of a number of year-end variations in income and expenditure against the approved budget. The key variances are summarised below:
- Administration element recharged on subcontracting costs as opposed to the previous arrangement where HRS effectively handled this work 'free of charge'.
  - Direct Materials:- Product prices have been more regularly reviewed and re-negotiated dependant on usage and market conditions. HRS contracts team are also being more pro-active in dictating to the supplier what they feel is a fair price compared to the quoted items.

3.4 The surplus of £205,654 was repatriated to the Housing Revenue Account (HRA), which is the major service user.

3.5 The HRS summary outturn for 2016/17:

	Revised budget £'000	Actual £'000	Variance £'000
Employees	2,458	2,406	(52)
Premises	45	53	8
Transport	444	447	3
Supplies & Services	3,536	3,008	(528)
Central Support Costs	712	695	(17)
Capital Charges	0	0	0
<b>Total Expenditure</b>	<b>7,195</b>	<b>6,609</b>	<b>(586)</b>
Income	(7,195)	(6,815)	380
<b>(Surplus)/Deficit</b>	<b>0</b>	<b>(206)</b>	<b>(206)</b>

3.6 The table below provides a summary of the outturn position:

	£	Reason for Variance
Decreased Income		
Recharges	379,820	Lower usage of sub-contractors on responsive works, voids and capital works in particular. Lower income has been offset by the reduction in sub-contractor costs.
Reduced spending		
Sub-contractors	(508,830)	The HRS team has been running at a near full establishment all year which has led to a substantially reduced reliance on Sub contractors. There have also been re-negotiations to contract prices, as well as, in some cases; the termination and/or no-renewal of contracts.
Direct materials	(104,465)	Products prices are constantly reviewed and re-negotiated dependant on usage and market conditions. HRS contracts team are also being more pro-active in dictating to the supplier what they feel is a fair price compared to the quoted items.
Reduced spending		
Employees	(52,572)	There have been a number of vacancies arise towards the end of the financial year. These are expected to be filled early in the new financial year. Also, overtime has been reduced gradually over the last few

		years due to increased capacity to attend priority works in normal working hours, leaving genuine overtime for emergency works.
Transport	3,671	Over spends on fuel and repairs.
Increased Spending		
Overheads	84,955	Cost of the Stores function (£62k). Relates to staff time and central support costs. This is built into the hourly rate so therefore recovered through labour charged to jobs. Consultant fees (£22k) to assist with tendering process for contracts as well as looking at processes for more efficient working.

#### 4. How HRS Performed in 2016/17

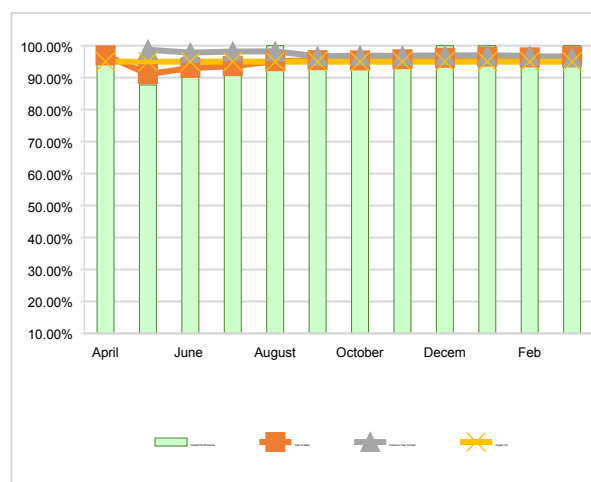
4.1 Six of the key performance areas that are monitored throughout the year are:

- the level of tenant satisfaction with repairs that have been carried out
- the percentage of all reactive repairs completed within timescale
- the percentage of emergency repairs completed within timescale
- the percentage of appointments that were kept
- the percentage of repairs completed first time
- the average end-to-end time for all reactive repairs

4.2 The performance data for financial year 2016/17 is below:

##### Tenant satisfaction with repairs that have been carried out

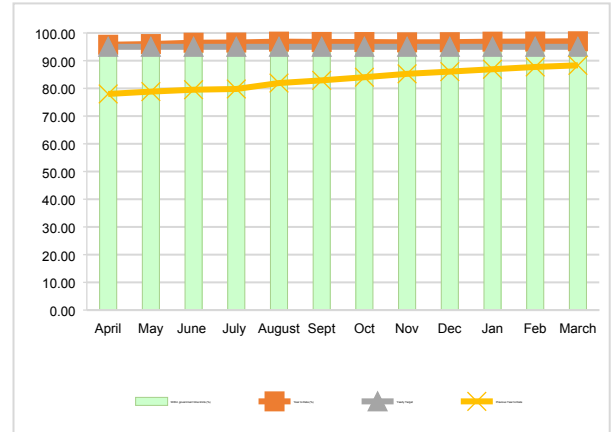
Annual Target: 95%		
Month	Tenant Satisfaction (%)	Year to Date (%)
April	96.97%	96.97%
May	87.72%	91.11%
June	96.23%	93.01%
July	95.00%	93.60%
Aug	100.00%	95.13%
Sept	96.88%	95.47%
Oct	95.00%	95.40%
Nov	97.50%	95.75%
Dec	100.00%	96.21%
Jan	100.00%	96.59%
Feb	94.59%	96.36%
March	100.00%	96.72%



Tenant satisfaction with repairs finished the year exceeding performance including satisfaction levels of 100% for four months within the year.

### Percentage of all reactive repairs completed within timescale

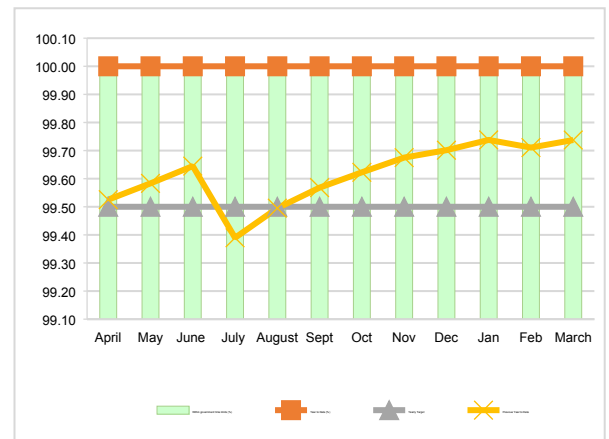
Annual Target: 95%			
Month	No. of repairs	Monthly Performance	Year to Date
April	1,691	95.74%	95.74%
May	2,005	96.21%	96.00%
June	1,676	97.55%	96.48%
July	1,841	96.74%	96.55%
Aug	1,745	98.22%	96.87%
Sept	2,186	96.29%	96.76%
Oct	2,046	96.53%	96.72%
Nov	2,327	96.04%	96.62%
Dec	2,055	97.03%	96.67%
Jan	2,411	98.26%	96.86%
Feb	2,235	97.27%	96.90%
March	2,241	97.99%	97.00%



Throughout the year of 2016/17 the percentage of repairs completed within timescale remained above the target of 95% and ended the year at 97%.

### Percentage of emergency repairs completed within timescale

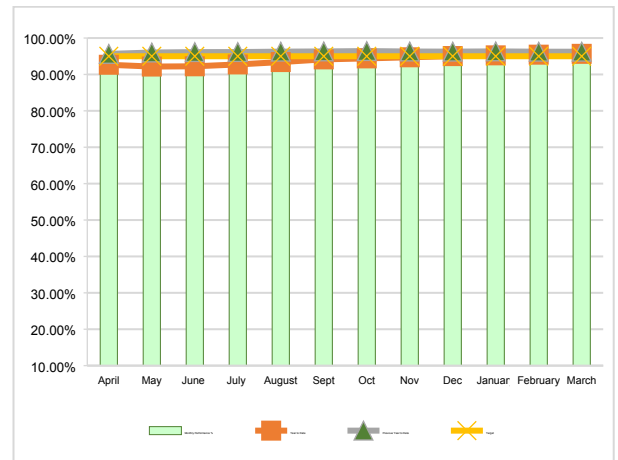
Annual Target: 99.5%			
Month	No. of repairs	Monthly Performance	Year to Date
April	219	100.00%	100.00%
May	341	100.00%	100.00%
June	259	100.00%	100.00%
July	286	100.00%	100.00%
Aug	281	100.00%	100.00%
Sept	273	100.00%	100.00%
Oct	282	100.00%	100.00%
Nov	254	100.00%	100.00%
Dec	308	100.00%	100.00%
Jan	259	100.00%	100.00%
Feb	311	100.00%	100.00%
March	268	100.00%	100.00%



All emergency repairs within the year were carried out within 24 hours of them being reported.

## Percentage of appointments that were kept

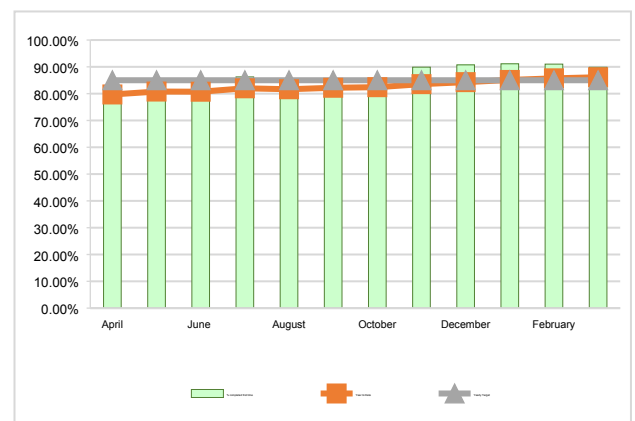
Annual Target: 95%			
Month	Appts Made	Overall (%)	Year to Date (%)
April	1,556	92.66%	92.66%
May	1,421	91.63%	92.17%
June	1,444	92.38%	92.24%
July	1,551	94.20%	92.74%
Aug	1,881	95.48%	93.40%
Sept	2,269	96.69%	94.14%
Oct	2,067	95.74%	94.41%
Nov	2,436	96.22%	94.71%
Dec	1,910	97.54%	95.04%
Jan	2,366	96.70%	95.25%
Feb	2,203	97.05%	95.43%
March	2,354	97.71%	95.66%



The performance target of 95% of repair appointments being kept was achieved by the last quarter of the year. Changes were made throughout the year to enable the service to meet this which included addressing staffing issues and ensuring that the full establishment was recruited to and Resource Planners ensuring that electrical jobs were passed to the voids team, if required, to assist the reactive repairs teams. Following on from the restructure of the service further improvements were identified and put into place to ensure that the staffing of each trade was more appropriate within each sub-team.

## Percentage of repairs completed right first time

Annual Target: 85%			
Month	No. of repairs	Monthly Performance	Year to Date
April	1,734	79.70%	79.70%
May	1,638	81.93%	80.78%
June	1,603	80.60%	80.72%
July	1,484	86.25%	81.99%
Aug	1,779	80.38%	81.65%
Sept	1,968	84.50%	82.20%
Oct	1,742	83.70%	82.42%
Nov	2,134	89.88%	83.55%
Dec	1,641	90.74%	84.30%
Jan	2,121	91.14%	85.11%
Feb	2,037	91.02%	85.72%
March	2,156	89.84%	86.12%

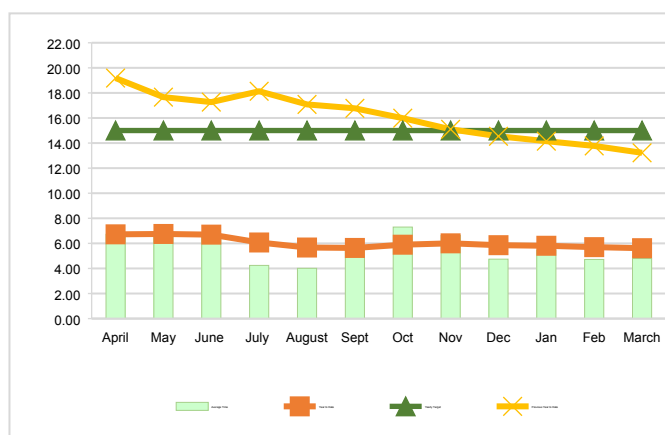


The last quarter of the year saw the service achieve the target of completing 85% of repairs right first time for the first time in several years. A focus was placed on ensuring that no follow on tickets were permitted to be raised without the authorisation of a Team Leader. If the follow on was being raised due to lack of materials they were immediately ordered and delivered to the operative on site so that the operative was able to stay at the property to complete the repair. All staff

within HRS have been repeatedly reminded of the importance of completing a repair on the first visit and the result has been continuously improving performance.

### Average end-to-end time for all reactive repairs

Annual Target: 15 days		
Month	Monthly Performance	Year to Date
April	6.72	6.72
May	6.78	6.75
June	6.58	6.70
July	4.24	6.07
Aug	4.01	5.67
Sept	5.50	5.64
Oct	7.30	5.89
Nov	6.82	6.03
Dec	4.74	5.86
Jan	5.47	5.81
Feb	4.72	5.70
March	4.79	5.62



The number of days taken to complete a repair continued to reduce throughout the year of 2016/17 resulting in an average time of 5.62 days.

## **5. The Current Situation**

5.1 Performance in the majority of all areas has improved this financial year. The following are the key areas to note:

- HRS now has a contract in place for Travis Perkins to supply their materials and they are located within Hamilton House. They supply over 1800 different components within the contract.
- The amount of work that is sub-contracted by HRS has been reduced and HRS have won contracts such as fire and insurance work.
- CHAS (Contractors' Health and Safety) and Construction Line accreditations have been achieved by HRS.
- All staff within the service have been completing training courses to improve their ways of working. This has included Team Leaders and Stand-in Team Leaders completing various leadership sessions and operatives ensuring that they are up to date with all compulsory training.
- Additional operatives are now employed to complete associated tasks along with their trade tasks which has resulted in more repairs being completed on the first visit and has reduced the need for follow on tickets.
- HRS have completed a review of the Risk Assessment Management System with Corporate Health & Safety.
- HRS were shortlisted for the awards of Most Improved Service Best Housing Maintenance Service by APSE for their performance in 2015/16.

## **6. Strategic Priorities**

### **6.1 Improve the Performance of the Council's Housing Landlord Function**

There continues to be a strong commitment to improving the quality and efficiency of the service and this is a key aim in the 2017/18 financial year.

## **7. Organisational Impacts**

### **7.1 Finance**

The performance reported in this report are all, currently, being delivered within the existing budget.

## **8. Recommendation**

- 8.1 Members are asked to note the progress being made on performance and efficiency by the Housing Repairs Service.

**Key Decision** No

**Key Decision Reference No.**

**Do the Exempt Information Categories Apply** Yes/No

**Call in and Urgency:** Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

**Does the report contain Appendices?** No

**List of Background Papers:**

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