

**SUPPLEMENTARY AGENDA 1**

**OVERVIEW AND SCRUTINY COMMITTEE**

**Wednesday, 13 March 2024**

**Agenda Item 5.      BDMS Update report – Responsive Repairs  
Performance (Pages 1 - 15)**

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**OVERVIEW AND SCRUTINY COMMITTEE**  
**13 March 2024**

<b>Title:</b> BDMS Update report – Responsive Repairs Performance	
<b>Report of the Strategic Director, MyPlace</b>	
<b>Open Report</b>	<b>For Information</b>
<b>Wards Affected:</b> ALL	<b>Key Decision:</b> No
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<b>Accountable Director:</b> Leona Menville, Strategic Director, MyPlace	
<b>Accountable Strategic Leadership Director:</b> Leona Menville, Strategic Director, MyPlace	
<p><b>Summary</b></p> <p>This report provides a summary of current responsive repair performance by Barking &amp; Dagenham Management Services (BDMS).</p> <p>The report provides updates on the KPI's achieved during the period Nov 2023 and January 2024.</p> <p>There is evidence of satisfactory progress in most areas with significant upturns in customer satisfaction since the previous report to committee in May 2023.</p> <p>There are also ongoing challenges which are acknowledged. A recovery action plan is in place to address these.</p> <p>The report also confirms the findings of the Regulator of Social Housing (RSH) following its consideration that LBBd had breached their Home Standards following the publishing of the previous scrutiny report. The RSH has confirmed that no further action is to be taken against the borough in this regard.</p>	
<p><b>Recommendation(s)</b></p> <p>The Overview and Scrutiny Committee is recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the progress made since the previous report in May 2023;</li> <li>(ii) Agree to receive a report detailing the service recovery plan for challenges articulated in the report, later in the year;</li> <li>(iii) Acknowledge the engagement of the RSH and their determination that there has been no breach of the home's standard regarding the provision of our responsive repair's standards; and</li> <li>(iv) Continue to monitor the responsive repairs service over the coming 12 months.</li> </ul>	

## **1. Introduction**

- 1.1 As a local authority we are bound by the Consumer Regulations set by the Government.
- 1.2 We must ensure we meet the Home Standards which provide repairs and maintenance.
- 1.3 Registered providers shall:
- provide a cost-effective repairs and maintenance service to homes and communal areas that responds to the needs of, and offers choices to, tenants, and has the objective of completing repairs and improvements right first time.
  - meet all applicable statutory requirements that provide for the health and safety of the occupants in their homes.
- 1.4 LBBB provides social rented housing to 16,407 and a further 1,742 affordable housing properties via its wholly owned housing company Reside. We also manage the freeholds for 3,925 leasehold properties, purchased from the council under Right to Buy and those held by leaseholders under shared ownership and outright sales.
- 1.5 Repairs to individual properties and communal areas are a fundamental service for the council. When things go right, repairs can hugely impact the lives of residents positively but equally have a detrimental effect when they go wrong.
- 1.6 Most of our repairs are delivered by Barking & Dagenham Management Service (BDMS) under a contract which began in 2018 and was extended in April 2023 for a further one-year period. The contract is expected to be further extended by two years as is permitted by the original terms.
- 1.7 Overview and Scrutiny were provided with a report detailing the issues BDMS were facing in May 2023. Following this report, and a write up in Inside Housing the Regulator Social Housing (RSH) began an investigation into whether the council had breached their homes standards by failing to provide a fit for purpose repairs service to residents. Thereafter we fully engaged with the RSH providing robust data and evidence of the improving repairs position.
- 1.8 In December 2023 the RSH formally closed their investigation, having found been satisfied that the council was in control of its repairs service, understood the importance of delivering services and had an improvement plan in place against which it was delivering.
- 1.9 We want our repairs service to be the best it can be and are striving to deliver our ambition. This report sets out a review of the responsive repairs service delivered for the council by BDMS in the quarter Nov – Jan 2024.

## **2. Objective**

- 2.1 The objective of this report is to report on the current performance of BDMS. The previous report to committee was in May 2023.

## 2.2 Contractual arrangements

2.2.1 A service level agreement (SLA) is in place that includes a range of key performance indicators (KPIs) that measure the performance of BDMS. This SLA forms a key part of the contract between My Place (LBBB) and BDMS.

## 2.3 KPI Monitoring arrangements

2.3.1 The SLA outlines performance indicators that the service is measured against. These are supplemented by a series of reports that investigate the detail of the services performed and are used as part of a weekly meeting undertaken within the service with attendance from LBBB officers.

2.3.2 The new targets were set at a level to stretch BDMS. Two of the indicators are measured by a customer survey of residents who have had a repair reported and completed.

## 3. PERFORMANCE REPORT AS AT 22<sup>nd</sup> JANUARY 2024

### 3.1 Performance Comparison (November 2023 vs January 2024)

3.1.1 In comparing performance data from November 2023 to January 2024, there are a mix of progress indicators and challenges in our repair services.

### 3.2 Progress:

1. **Legacy Job Reduction:** A notable achievement in the continued reduction of legacy jobs, from 171 in November 2023 to just fifty-nine by January 2024. This demonstrates effective clearing of longstanding issues.
2. **Customer Satisfaction:** Customer satisfaction remains high, showing a consistent positive trend from 76.1% in November 2023 to 76.3% in January 2024. This reflects well on the improvements in service delivery.
3. **Void Management:** The number of open void properties remained low at 47 in January 2024, indicating an improvement from previous years, however, there needs to be greater focus on completing voids in target to meet the wider turnaround times for LBBB.

### 3.3 Challenges:

1. **Increase in Open Jobs:** Despite the reduction in legacy jobs, overall open jobs have increased, these can be attributed to seasonal uptakes in repairs reporting during this period but nevertheless need careful monitoring to ensure sufficient resources are available to manage the potential strain on workloads.
2. **Damp & Mould Challenges:** The damp and mould cases have increased significantly to 240 in January 2024, exceeding our target and causing concern.
3. **Staff Turnover and Planning Issues:** High staff turnover, sickness and loss of temporary operational staff have contributed to challenges in planning and meeting demand.

4. **Completion Targets:** There has been a downturn in performance regarding the completion of repair jobs within target times, especially for emergency and routine repairs.
5. **Legal Disrepair:** While there have been improvements in the management of legal disrepair, the levels remain high and require ongoing attention.

### 3.4 Overall Trajectory

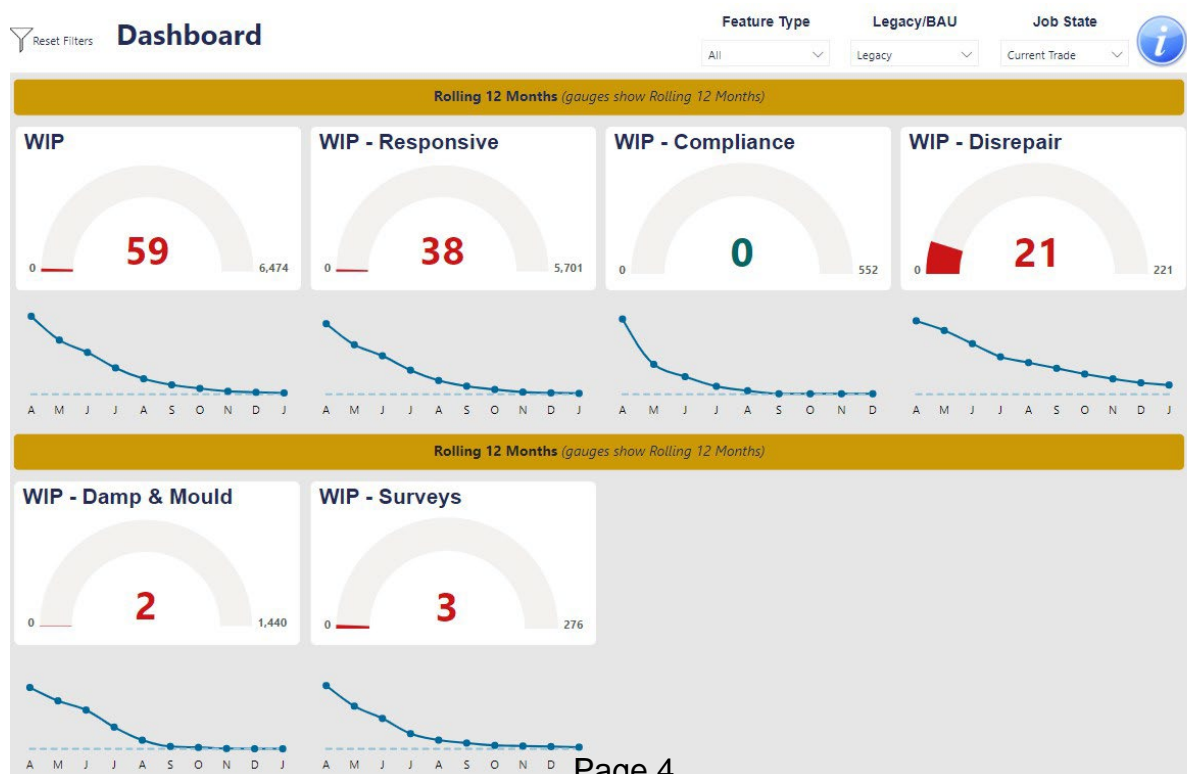
3.4.1 The trajectory from November 2023 to January 2024 shows that while there have been significant strides in certain areas like customer satisfaction and legacy job reduction, there are emerging challenges, particularly in managing the increasing volume of open jobs and specific areas like damp & mould. The increase in workload and staff turnover has impacted our ability to meet certain targets, highlighting the need for a more robust strategy in workforce management and service delivery, which we are currently reviewing with BDMS.

3.4.2 It is crucial that we balance achievements with the areas requiring improvement, focusing on strategic planning, resource allocation, and operational efficiency to ensure continued progress and the resolution of emerging challenges.

3.4.3 We continue to work collaboratively with BDMS and have a shared view of where we expect the service to be.

### 4. Overview - Legacy Jobs

The graph below indicates that the number of remaining legacy jobs in the system has decreased to fifty-nine. These longstanding and challenging tasks are currently being addressed on a case-by-case basis. BDMS have successfully cleared 5,500 legacy jobs, fulfilling their obligation outlined in the one-year contract variation agreement.

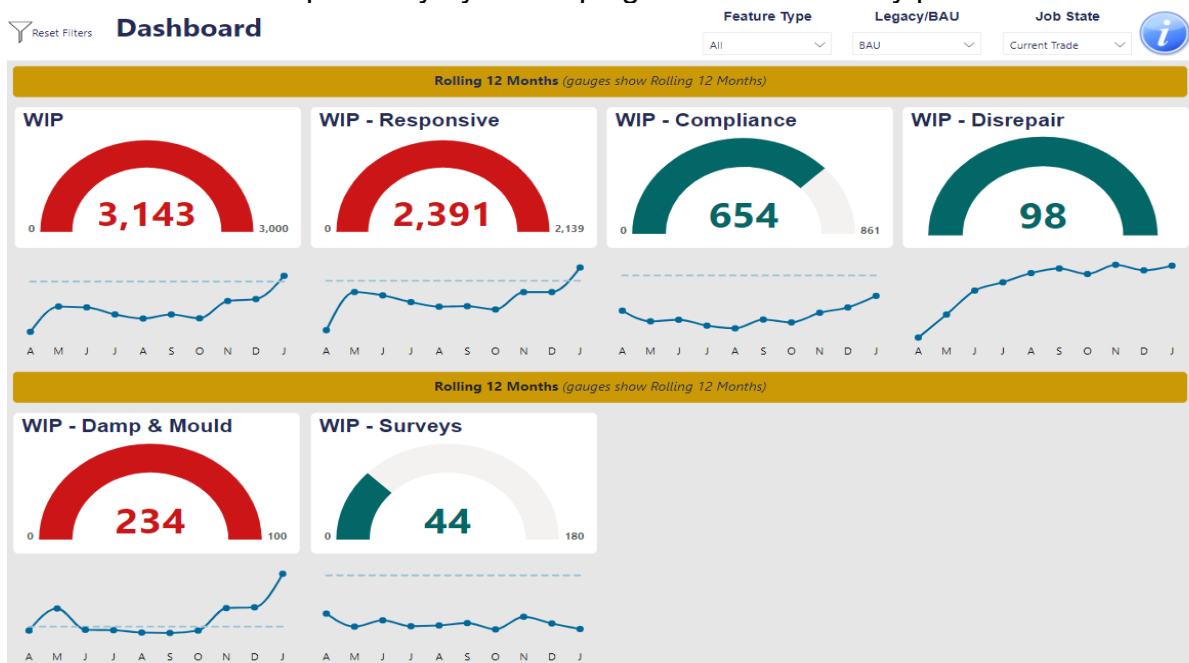


## 5. BAU - Total Open Jobs

5.1 The table below outlines the total number of open repair jobs as of January 22, 2024. Recent increases in open job volumes can be attributed to several factors:

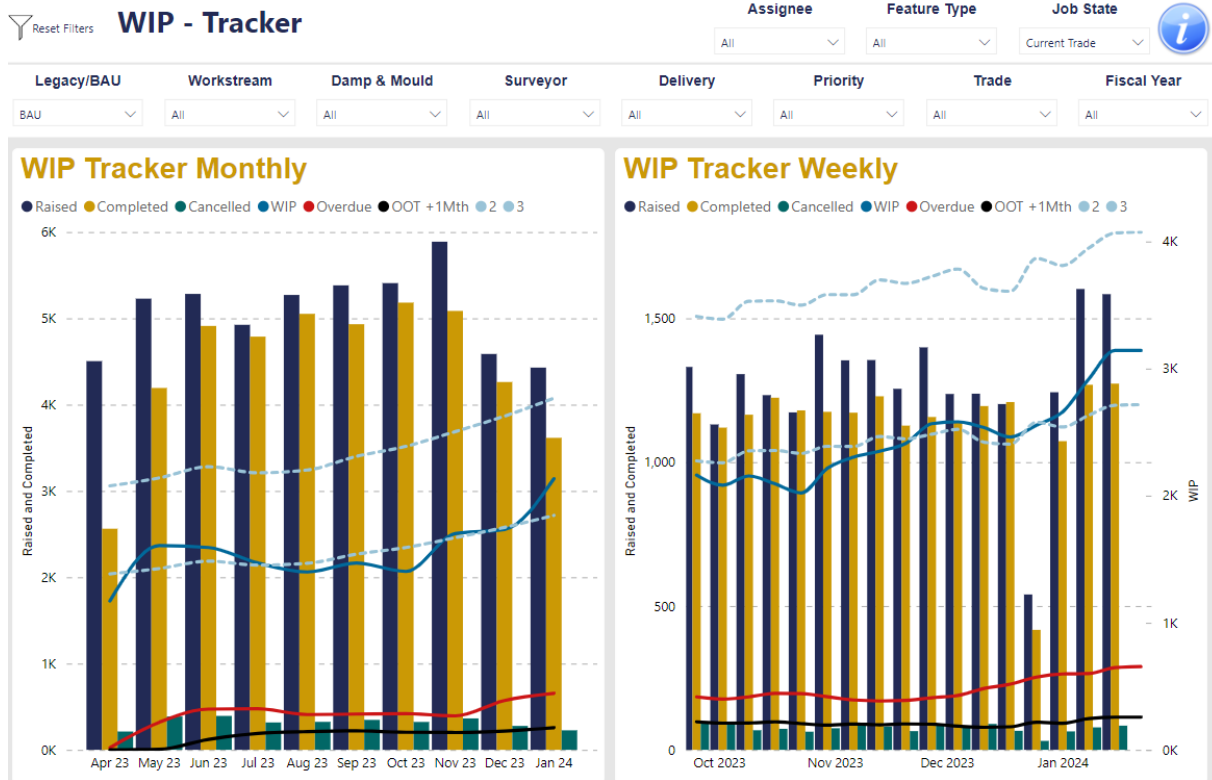
- Seasonal variations leading to increased demand;
- Elevated turnover within the planning team due to heightened management controls;
- Departure of temporary operational staff to pursue permanent roles elsewhere; and
- Operational staff sickness

5.2 The dashboard has moved to red, indicating current levels of work in progress (WIP) are beyond the expected levels for overall open jobs, responsive works, and Damp & Mould jobs. Ongoing discussions between BDMS and LBBB are addressing the appropriateness of targets set in the system for future performance monitoring. BDMS have acted expediently by developing a service recovery plan.



5.3 The charts below depict a surge in demand during the winter period, illustrating all jobs at an aggregate level. The blue bars represent jobs raised, while the gold bars indicate completed jobs. The data granularity reveals that the peak demand in November coincided with an exceptionally wet month, contributing to increased volumes of demand for leak and Damp & Mould (D&M) jobs.

5.4 Furthermore, the data indicates that BDMS has struggled to keep pace with this demand, resulting in a noticeable uptick in Work in Progress (WIP) since October, as presented in the initial table on the dashboard above. The shortfall in job completions has been acknowledged and is part of the BDMS recovery plan, which includes considerations for additional temporary resources to address the increased demand.



## 6. Completed In Target

6.1 The charts below indicate that the present status of completions within the specified timescales reflects the ongoing challenges in job completions and planning. Notably, the 4-hour emergency jobs are reported at an unusually low level, a concern directly tied to the configuration of the Accuserv system. This aspect will be addressed as part of a broader service improvement initiative. Additionally, the performance of 1-day and 20-day jobs has recently declined, primarily associated with the previously mentioned issues in planning and completion volumes.



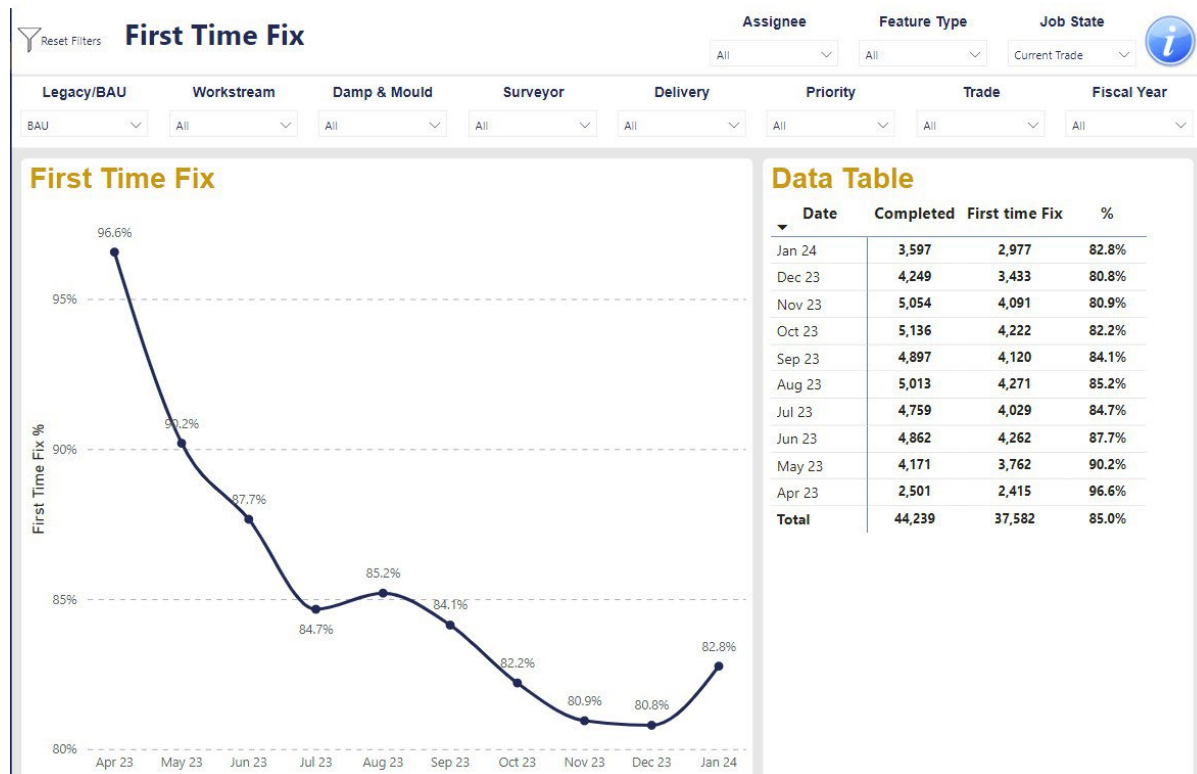


## 7. Average End To End Times – (Of Completed Jobs)

7.1 The presented table illustrates the average days taken to complete various priority jobs, all of which have recently experienced a decline, corresponding to the previously mentioned issues. LBBB is engaged in discussions with BDMS to influence the approach to job management within the system, particularly focusing on the management and ownership of follow-on works, where jobs cannot be completed on the first visit. Recognised as an ongoing challenge, current efforts are underway to implement process improvements that are expected to yield better results in the coming months.

## 8. First Time Fix

8.1 The graph and table below present the results for first-time fix since April 2023, revealing the impact of the issues in end-to-end times. These challenges stem from the ineffective management of follow-on works and the limitation of an internal workforce primarily specialised in completing single-trade jobs.



## 9. Damp & Mould Jobs

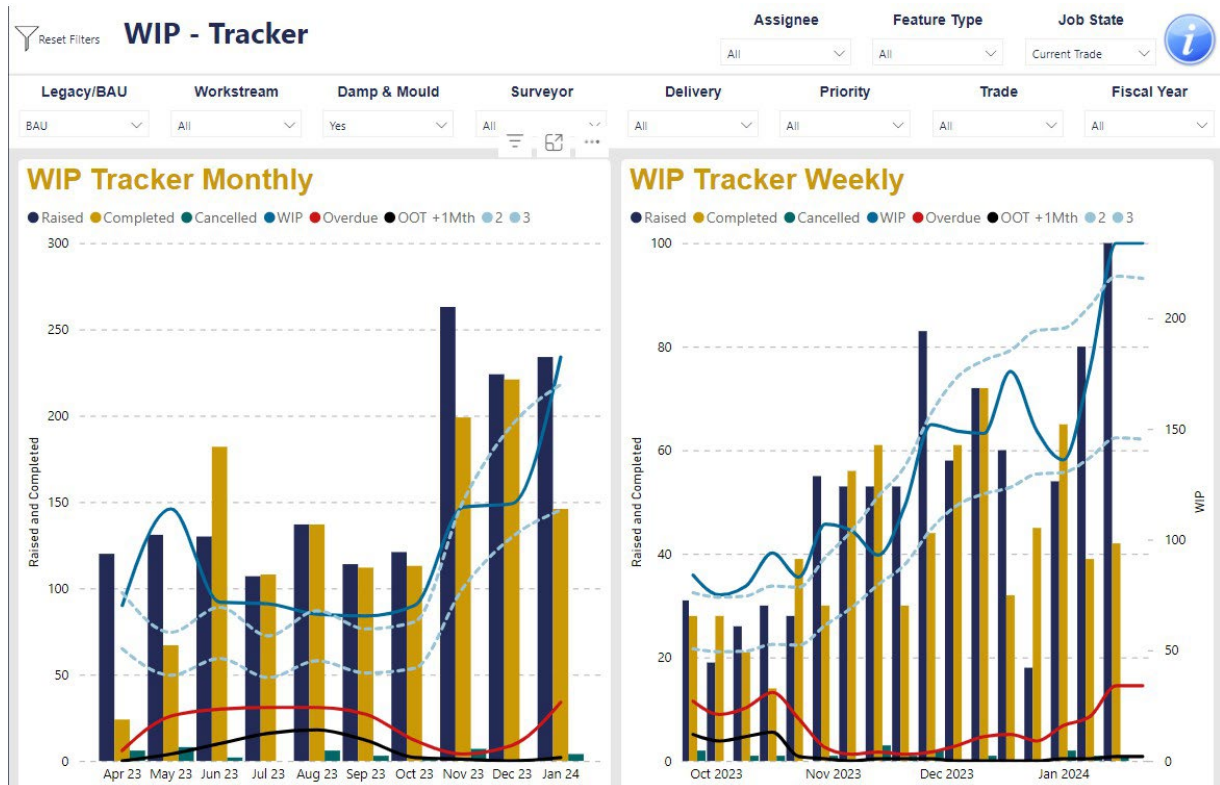
9.1 This currently stands as the top concern for LBBB, with the levels of Work in Progress (WIP) steadily increasing on a weekly basis. Notably, there has been a recent change in the management of the Damp & Mould (D&M) team in BDMS, and they are actively collaborating with LBBB to align the figures with the target WIP levels.

9.2 While the graphs below indicate an increase in demand during the winter months, additional factors contribute to the recent surge in raised jobs:

- LBBB has initiated customer courtesy calls to individuals who have had a D&M job completed since April 23, aiming to identify any subsequent issues. If issues are identified during these calls, jobs are raised for BDMS to revisit

and reassess job requirements.

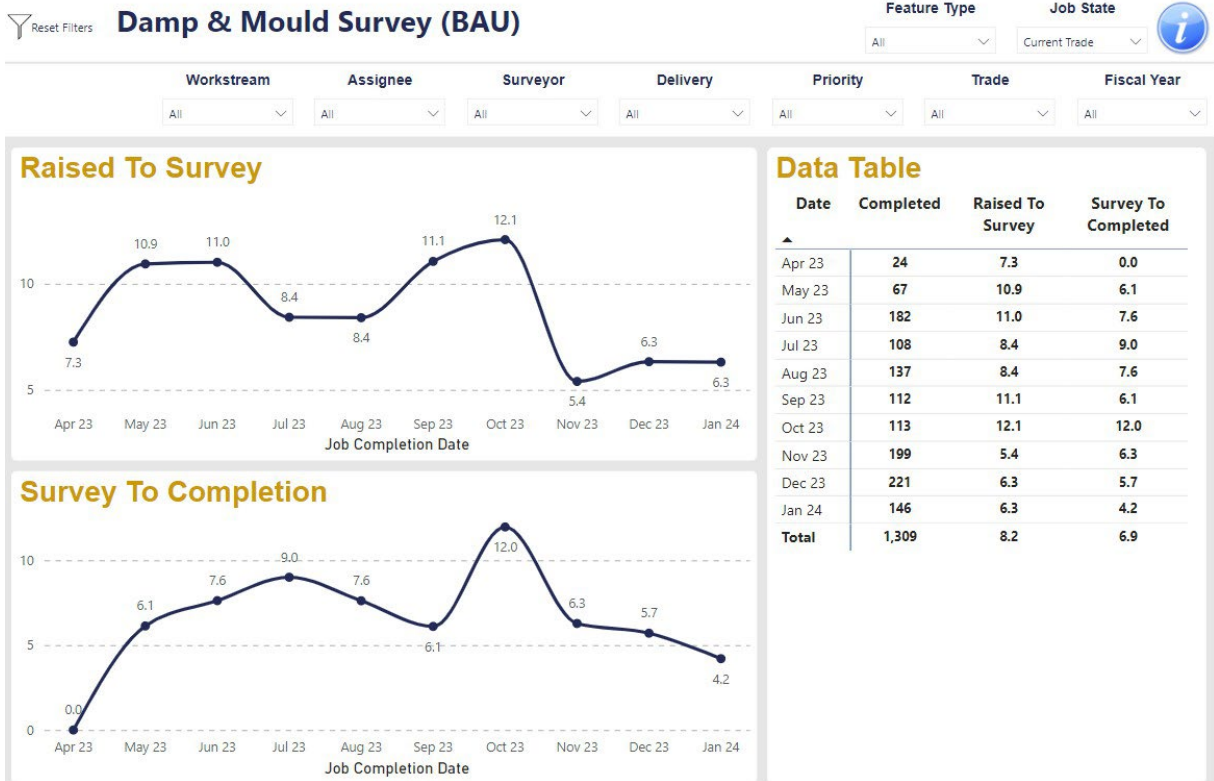
- A comprehensive data exercise has been undertaken to verify the accurate classification of jobs as D&M. This process has identified minor issues where jobs have been reclassified, prompting liaison with the contact center to address and resolve these matters at the initial point of contact.



9.3 On a positive note, BDMS achieved the highest volume of Damp & Mould (D&M) job completions in December compared to any other month, underscoring a positive collaboration with their specialist subcontractor.

9.4 Additionally, the graphs below illustrate the average turnaround times for completed jobs:

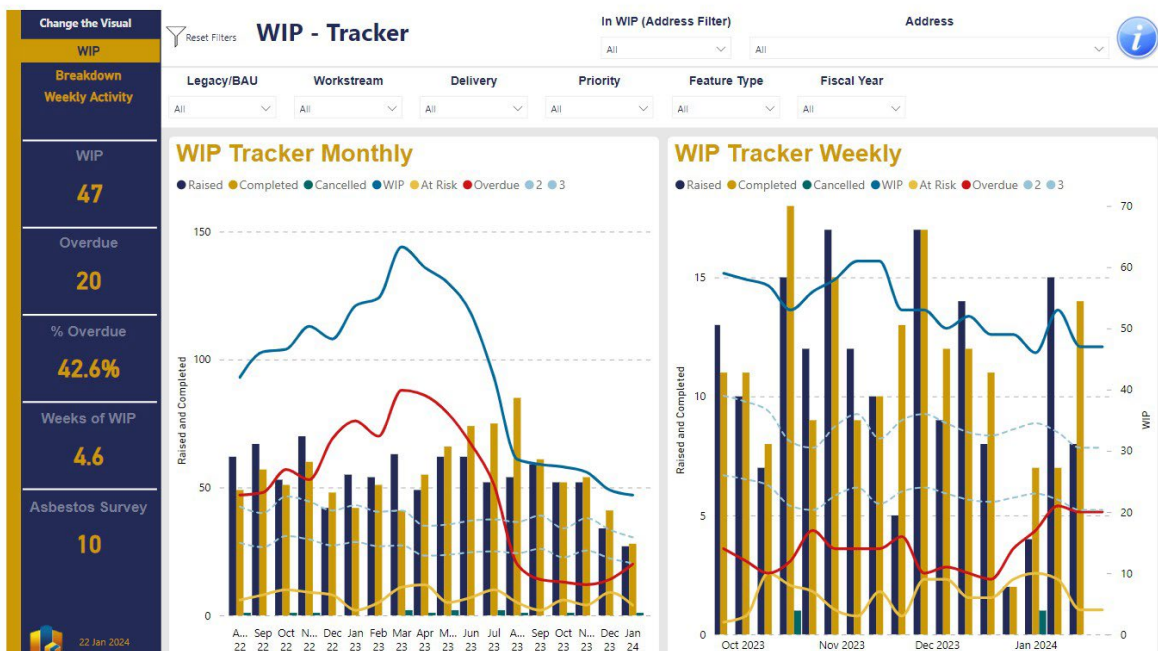
- An average of 6.3 days between the job being raised and the initial survey being undertaken, inclusive of risk treatment during this appointment (sempatec, halophen, removal of mould).
- An average of 4.2 days from the survey being undertaken to the completion of works, in cases where additional work is required.



## 10. Voids

10.1 The current count of open void properties is forty-seven, slightly exceeding the target of forty, with 42.6% of these being overdue. This situation poses challenges in terms of housing management, specifically in the management and allocation of properties. Ongoing discussions with BDMS aim to address this issue and establish a clear approach to jeopardy management.

10.2 Proactive measures are being taken through a collaborative effort between BDMS and LBBD to ensure void standards align with the financial and operational needs of the council. This initiative involves dual inspections and enhanced communication between LBBD and BDMS.



## 11. Void Turnaround Times

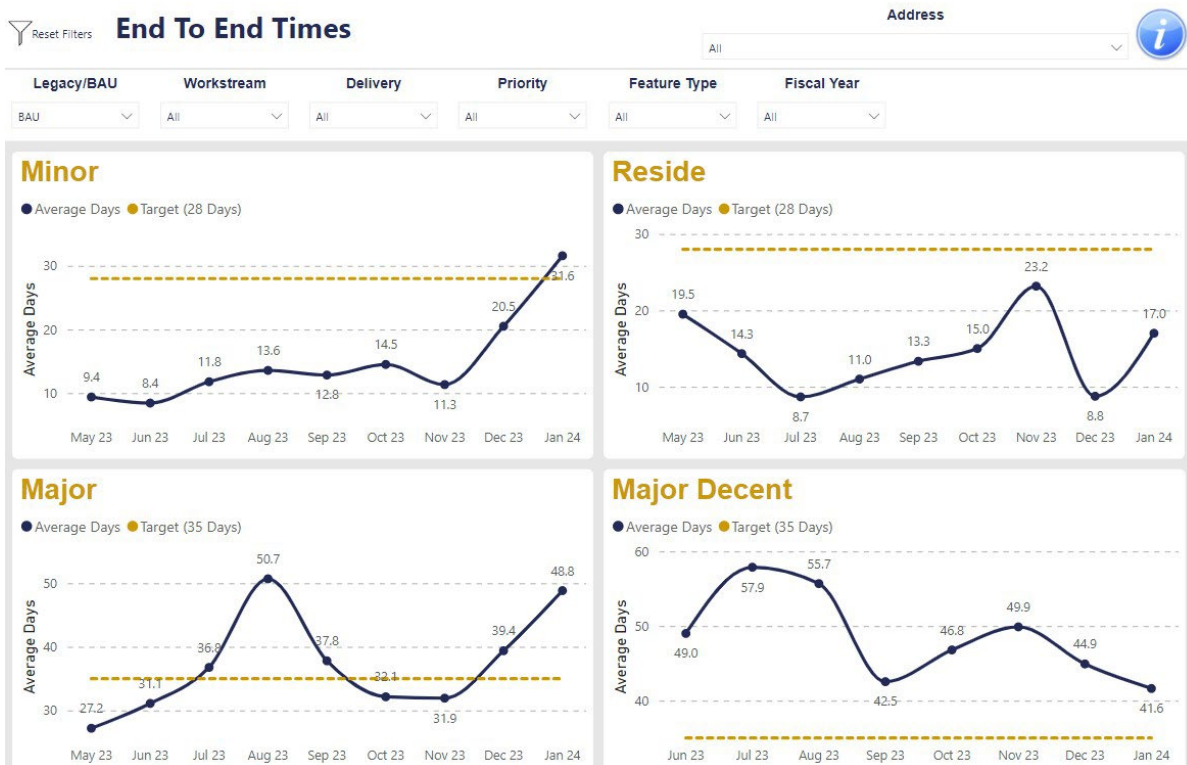
11.3 The time spent with BDMS (excluding time waiting for asbestos reports) has experienced an increase in turnaround times in recent months, as indicated by the following current performance figures compared to the target:

PRIORITY	CURRENT PERFORMANCE (CALENDAR DAYS)	TARGET (CALENDAR DAYS)
MINOR	31.6	28
RESIDE	17	28
MAJOR	48.8	35
MAJOR DECENT	41.6	35

## 12. Voids Completed In Target

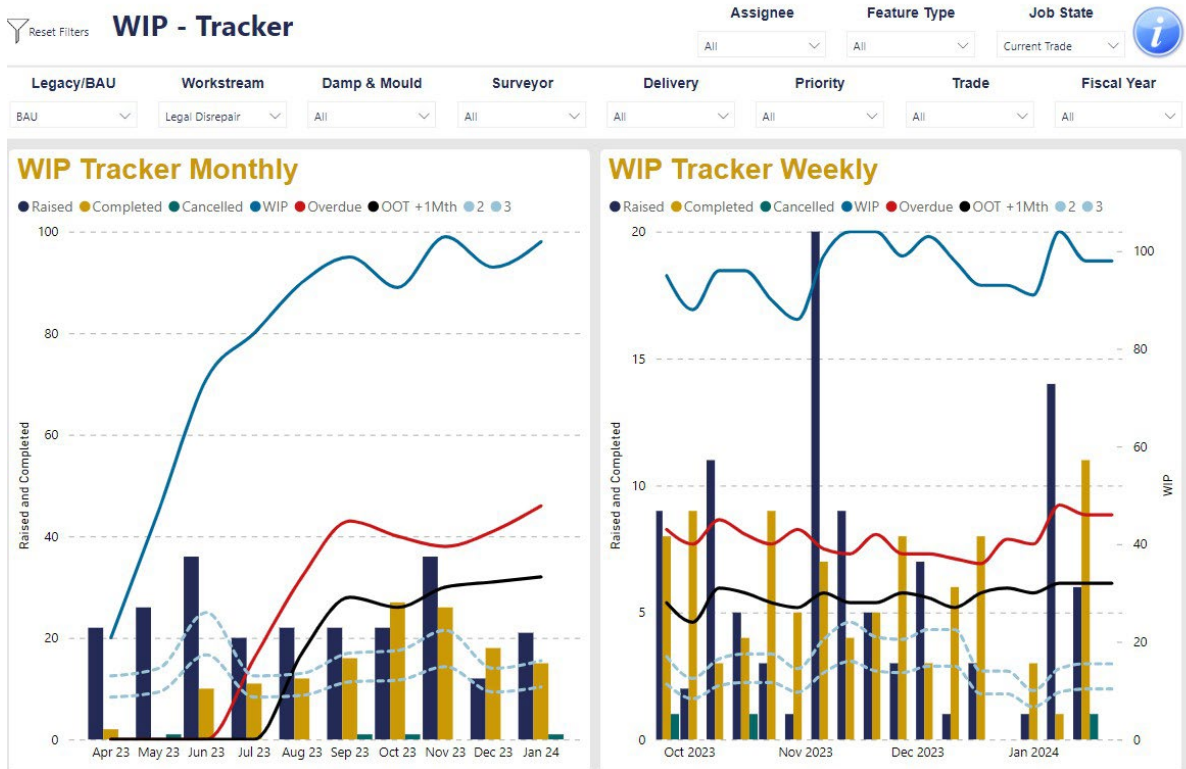
12.1 The provided figures below represent the percentage of voids completed within the agreed target periods as of today's date (January 22nd):

PRIORITY	CURRENT PERFORMANCE (CALENDAR DAYS)	TARGET (CALENDAR DAYS)
MINOR	33.3%	100%
RESIDE	100%	100%
MAJOR	0%	100%
MAJOR DECENT	12.5%	100%

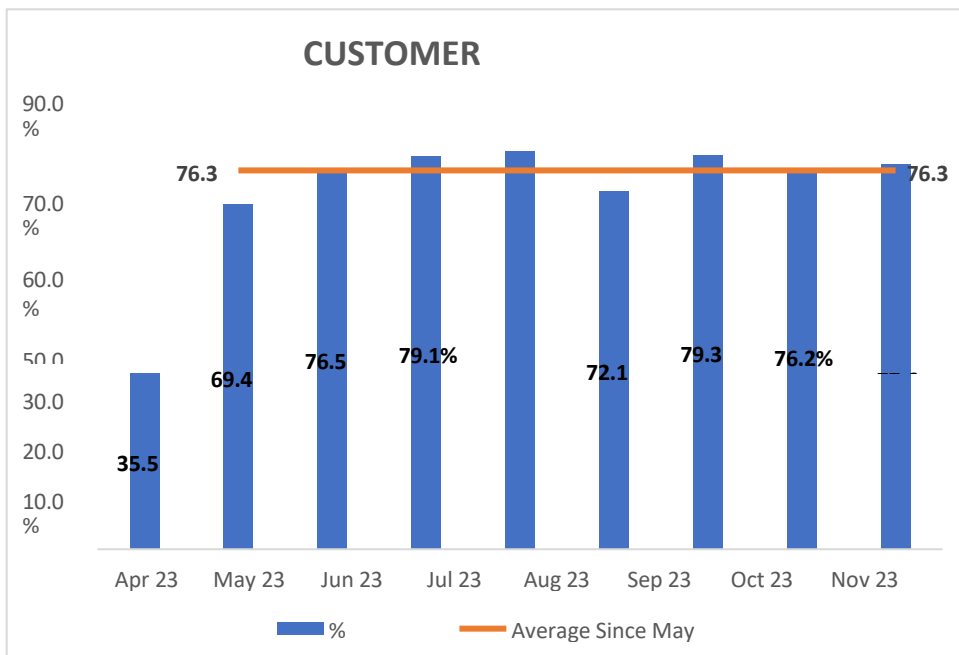


### 13. Legal Disrepair - BAU

13.1 The joint improvement initiative involving LBBB's legal team, the repairs client, and the repairs contractor aimed at enhancing the end-to-end legal disrepair process has yielded substantial improvements. Despite the current elevated levels of Legal Disrepair (LD) within LBBB, indicative of past challenges faced by LBBB and its repairs providers, there has been a notable improvement in the identification and management of the Legal Disrepair process, as illustrated in the graph below. This remains an ongoing project, and further improvement efforts may be undertaken should an improvement program be approved in the coming months.



### 14. Customer Satisfaction



14.1 Customer satisfaction data is compiled and validated independently.



14.2 Customer satisfaction is now monitored daily, based on the previous day's completions. This approach offers more timely feedback, enabling prompt responses to operational changes that may be necessary due to customer feedback.

14.3 The encouraging trend of significantly improved comments from customers, reflecting a more positive sentiment, continues. Moreover, the sustained enhancement in satisfaction scores stands out as a notable achievement in our progress. The average Customer Satisfaction rate for Quarter 4 of FY22/23 was 42.8%. Comparatively, the figure for May to December (allowing April for the new management and approach to become embedded) is 76.3%, signifying an impressive overall improvement of 78%. Efforts will persist in targeting further improvements through any upcoming improvement programs.

## **15. Benchmarking Costs**

15.1 As can be seen from the tables below, as a council our overall unit cost of £4,235 is the second highest after Westminster City Council, and much higher than Ealing and Wandsworth.

15.2 The average unit cost across all four benchmarked boroughs is £3,707. This is lower than our £4235 rate by £528 (12%). To achieve the benchmarked average, we would have to reduce BDMS costs by £10.9m.

15.3 Suggested reduction areas could include R&M £1.3m reduction, S&M £2.9m, Rates £0.8m, bad debts £2.2m, interest payable £3.6m.

15.4 As a council, our income per unit for both rent and service charge income is the second lowest after Ealing and below average for both categories.

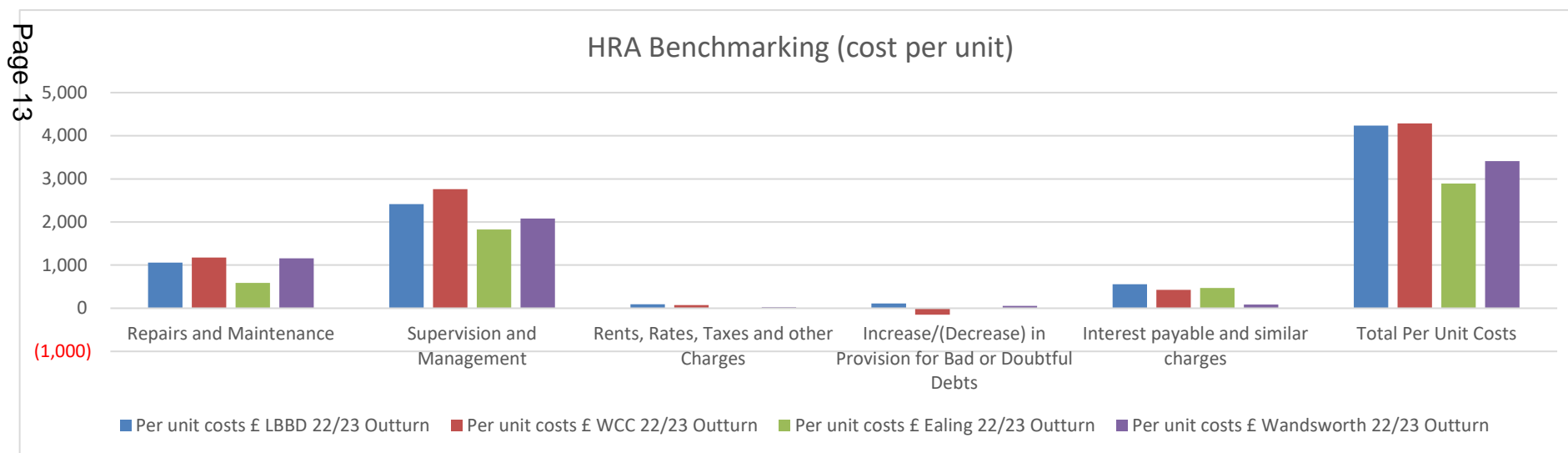
15.5 This data is based on 2022/23 HRA accounts is published 2022/23 statement of accounts of the selected Councils. The selected benchmarked Councils have similar stock composition to us apart from Wandsworth who have the double the stock we hold.

15.6 Selected expenditure items are at a high level and based on statement of account reporting levels to ensure consistency across Councils.

15.7 The forecast spend for 2023/24 for BDMS is a total of £47,809 million. This is broken down below.

## Benchmarking Costs - Tables

Expenditure	Per unit costs £					
	LBBB 22/23 Outturn	WCC 22/23 Outturn	Ealing 22/23 Outturn	Wandsworth 22/23 Outturn	Ave cost per unit	LBBB 23/24 Outturn
Repairs and Maintenance	1,059	1,179	586	1,160	996	1,536
Supervision and Management	2,414	2,761	1,829	2,081	2,271	2,508
Rents, Rates, Taxes, and other Charges	90	75	7	27	50	140
Increase/(Decrease) in Provision for Bad or Doubtful Debts	113	-152	0	58	5	163
Interest payable and similar charges	559	425	469	86	385	556
<b>Total Per Unit Costs</b>	<b>4,235</b>	<b>4,288</b>	<b>2,893</b>	<b>3,412</b>	<b>3,707</b>	<b>4,903</b>



Income	Per unit income					
	LBBB 22/23 Outturn	WCC 22/23 Outturn	Ealing 22/23 Outturn	Wandsworth 22/23 Outturn	Ave income per unit	LBBB 23/24 Outturn
Dwellings Rent	-5,313	-6,508	-4,910	-6,526	-5,814	0
Charges for Services and Facilities	-1,420	-2,676	-588	-2,229	-1,728	0
<b>Total Per Unit Costs</b>	<b>-6,733</b>	<b>-9,183</b>	<b>-5,497</b>	<b>-8,755</b>	<b>-7,542</b>	<b>0</b>

	FY23/24 Forecast £000's
Management agreement	8,342
Service Agreement - Responsive, D&M, Voids, Disrepair	4,781
LBBB Recharge - Contact centre & OH's	1,663
Subcontractors responsive	5,383
LBBB Compliance Subcontract	1,769
Semi Fixed Revenue - Service agreement (Backlog, WIP)	4,535
<b>FIXED CONTRACT TOTAL</b>	<b>26,472</b>
Service Agreement - Planned Capital	7,943
School Project Work	0
LBBB Corporate Buildings	1,861
<b>VARIABLE BILLING (CHARGEABLE)</b>	
Reside	933
Fleet Management	1,320
Public Realm Fleet Costs	500
Other	1,212
WEFIX STAFF COSTS	7,569
<b>GRAND TOTAL</b>	<b>£47,809</b>

**BDMS Forecasted  
Costs 2023/24**



## **16. Ongoing Concerns**

- 16.1 Whilst there have been some improvements in the responsive repairs service, we should not forget the extremely low base from which we started.
- 16.2 The council has invested considerable time, money, and personnel since the inception of the contract none of which have ever really addressed the low productivity issues experienced within the BDMS service.
- 16.3 Unfortunately, our latest action plan and significant cash investment has also failed to improve this key performance indicator and so it is difficult to provide any assurance that the current model of delivery will ever deliver against the Councils aspirations for its repairs service to its residents.
- 16.4 We are still very much on an improvement journey however in the current and foreseeable financial environment in which we are operating it is simply not feasible for the Council to continue to support this journey. The current model of delivery and cost model is unsustainable.
- 16.5 To continue with the current model would require a further drop in service delivery and a reduction in the breadth of repairs undertaken on the Councils behalf. This is not a sustainable position and must be addressed.

**Public Background Papers Used in the Preparation of the Report: None**

**List of appendices: None**

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