

## OVERVIEW AND SCRUTINY COMMITTEE

10 May 2023

<b>Title:</b> Barking & Dagenham Traded Partnership: Repairs & Maintenance	
<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
<b>Report Author:</b> Leona Menville, Strategic Director, MyPlace	<b>Contact Details:</b> E-mail: <a href="mailto:Leona.Menville@lbbd.gov.uk">Leona.Menville@lbbd.gov.uk</a>
<b>Accountable Strategic Leadership Director:</b> Leona Menville, Strategic Director, MyPlace	
<b>Summary</b> <p>This report provides an update on the ongoing work within MyPlace to improve the repairs/voids/disrepair service as the commissioner of the Barking &amp; Dagenham Management Service (BDMS). The Overview and Scrutiny Committee will be aware that BDMS is part of Barking &amp; Dagenham Traded Partnership (BDTP), a wholly owned company contracted to undertake the repairs and maintenance service on behalf of the London Borough of Barking and Dagenham.</p> <p>Following a previous report to the Overview and Scrutiny Committee on 5 October 2022 (minute 9 refers), it was agreed that a follow up paper detailing progress on improving the provision of the repairs and maintenance service would be provided to the Overview and Scrutiny Committee. This document delivers on that commitment.</p> <p>MyPlace has continued to work collaboratively with BDMS to effect improvements in the service. This report provides an update on actions taken during the intervening period as well as current performance levels and details work that is planned to ensure that residents receive the high levels of repairs and maintenance service that we want for them.</p> <p>There is evidence of some improvements; however, our performance is still very far from where we aim to be. Targets are set and expected to be achieved by P6, 2023 which will deal with the immediate service recovery phase of the program; however, phase 2 will deal with the fundamental underlying issues identified which will aim to embed cultural and behavioural changes into the service. Only once this is realised can we be confident of providing consistently good services.</p> <p>Impending regulatory changes by the Regulator of Social Housing (RSH) seek to introduce a four yearly inspection regime. At this point in time, there is no confidence that we are ready to participate in this due to the existing repair issues that need addressing. BDMS need to evidence month on month improvements in outputs, productivity and customer satisfaction to mitigate the current and enduring poor levels of service that they</p>	

are currently delivering. This is a very large task and no assurance of achieving these targets can be given from the very initial improvements that are noted in this report.

### **Recommendation(s)**

The Overview and Scrutiny Committee is recommended to:

- i. Note the progress that has been made to date on improving the repairs and maintenance offer; and
- ii. Note the current performance being provided by BDMS and to continue to monitor progress against the improvements being made.

### **Reason(s)**

Following a previous report to the Overview and Scrutiny Committee on 5 October 2022 (minute 9 refers), it was agreed that a follow up paper detailing progress on improving the provision of the repairs and maintenance service would be provided to the Overview and Scrutiny Committee. This document delivers on that commitment.

## **1. Introduction**

1.1. Our collective aims are threefold:

- (i) Provide a value for money, transparent, evidence-based repairs and maintenance service based on intelligent data and a robust repairs policy.
- (ii) Adopt modern business processes, embed sustainable financial disciplines, ensure productivity increases and deliver the right outcomes for our customers.
- (iii) Role model positive changes to our repairs and maintenance culture, financial planning, and operational procedures to provide a route to customer excellence.

## **2. Background**

2.1 The Overview and Scrutiny Committee previously received a report on 5 October 2022 (minute 9 refers), setting out the key risks and challenges of the repairs and maintenance services being delivered by BDMS.

2.2 This is the agreed follow up report which sets out the progress made thus far on improving the service to the required standards. Regular updates on progress will be reported to future meetings of the Committee.

2.3 Changes made since the last report include:

- Change of leadership and replacement of other key senior staff within BDMS;
- Renegotiated a 12-month contract extension – Clarifying terms and expectations of service delivery;
- Simplified operational activities and processing arrangements;
- Introduced refreshed key performance indicators (KPI's) and service level agreements (SLA's);
- Strengthened governance and performance monitoring arrangements;

- Current (work in progress) WIP being prioritised by risk – will feed into improved performance management framework;
- Introduced Red, Amber, Green (RAG) rating for the WIP and a detailed delivery plan for each service area;
- Improved Subcontractor capacity to help tackle the backlog;
- Adopted leaner planning and scheduling processes;
- Undertook deep dive of the repairs data – identifying errors and instilling accountability for improving fail rates; and
- Developed live MI PowerBI reporting (Backlog and Business as Usual (BAU)) dashboards.

### **3. BDMS – New Leadership Arrangements (April 2023)**

- 3.1. Following the departure of the BDTP Chief Executive, Director of Operations, and other key senior staff within BDMS, the company has appointed a new Interim Chief Executive and Lumensol Ltd, consultants in housing maintenance, to lead and strengthen the operational management of BDMS.
- 3.2. Lumensol has also assembled a small team of data analysts who are currently leading on the set up of a new performance dashboard through the utilisation of Power BI, to provide more reliable and automated operational and management reporting.
- 3.3. This is a significant improvement, as data integrity, reliability and user accessibility have previously impaired our ability to provide any assurance around management information and data provided by BDMS.
- 3.4. Whilst Lumensol Ltd is currently providing BDMS with additional leadership and expertise to enable it to 'turn a corner', it is widely accepted that this is a temporary arrangement and that the BDMS structure will return to a BAU position at the earliest opportunity. Returning to a full BAU position is key to BDMS demonstrating their ability to provide a full day-to-day operational management service in the future.

### **4. Immediate Priority Actions**

- 4.1. The following priority actions have been agreed between MyPlace and BDMS to underpin service delivery and provide the infrastructure required to support the much-needed delivery of improvements in the key risk areas.
- 4.2. Prioritising the WIP - BDMS and MyPlace have an immediate requirement to see substantial improvement in performance across four key areas to improve Customer Satisfaction:
  - Legal Disrepair;
  - Damp and Mould;
  - Repairs WIP; and
  - Voids.
- 4.3. All works are being targeted, measured and managed by two separate teams within BDMS:

- Backlog team- jobs raised prior to 1 April 2023; and
- BAU team- jobs raised from 1 April 2023.

4.4. New contract governance arrangements have been agreed between the Strategic Director of MyPlace and the BDTP Interim Chief Executive, which include weekly meetings to review progress in the key service areas.

4.5. The table below sets out the different forums that have been established to drive service improvement:

Forum	Attendees	Purpose	Frequency
MyPlace / BDMS Working Group	Leona Menville, Darren Tranter, Mike Wilson, Chris McKellar, David Siddals, Dominic Rebeiro	Review progress and performance against the 6 measures Update on priorities and plans Unblock barriers to delivering the outcomes	Weekly
BDMS Project Group	David Siddals, Dominic Robeiro, BDMS HoS and central support teams	Review each workstreams progress and unblock barriers to delivering the outcomes	Twice weekly
BDMS Operational Group	Dominic Robeiro, BDMS HoS, Operations Managers	Drive the daily programme and priorities of Incremental Improvement	Daily

**Table 1**

## 5. Performance Targets

5.1. All performance targets have been established to demonstrate the delivery of a Good Service and as such are stretching and aspirational. It is recognised that service transformation is necessary for BDMS to deliver a Good Service in the future. A full-service transformation plan will be developed following completion of phase 1, service recovery plan (anticipated Q2, 2023).

5.2. Performance Indicator (PI) performance will be reported for all new repairs and voids raised from 1 April 2023. It is expected that all new repairs and voids raised from 1 April 2023 will meet agreed target dates for completion of work.

5.3. The following table sets out the PIs to be measured and reported to demonstrate the level of service provided by BDMS to residents and MyPlace. The PIs (for works raised from 1 April 2023) and Backlog Measures (for works raised prior to 1 April 2023) agreed are:

**PIs for works raised from 1 April 2023 are:**

No	PI	Target	Baseline at 1.4.2023	RAG
1	Customer satisfaction	85%	56%	
2	Repairs Completed in target			
2a	Emergency (4 Hr)	100%	91%	
2b	Urgent (24 Hr)	100%	97%	
2c	Routine (20 days)	85%	82%	
2d	Major (65 days)	100%	19%	
3	Total Repairs WIP	3000	6474	
4	Overdue Repairs	< 10% of WIP	4240	
5	Damp & Mould - Survey & Treat (20 days)	100%	100%	
6	Disrepair WIP	TBC	208	
7	Complaints	<1.5% of completed repairs	Currently 119 outstanding repair complaints	
8	Minor Voids end to end time (BDMS, Key to key)	< 28 Calender days	23.1	
9	Major Voids end to end time (BDMS, Key to key)	< 35 Calender days	91.9	
10	Major Decent Voids end to end time (BDMS, Key to key)	<35 Calender days	124.5	
11	Voids Wip	40	163	

**Table 2**

**6. Damp & Mould Targets**

- 6.1. In line with the anticipated legal changes, we have voluntarily adopted the principles of “Awaab’s law” when responding to claims of Damp and Mould for all new jobs raised. This means that we have set stretching targets of undertaking a survey, where required, within 10 working days of receiving a request and completing all routine damp works within 20 working days.
- 6.2. Where follow on structural works are needed to complete major repairs including full element replacements and major refurbishments, these will be treated as Major Repairs (2d), to be completed within 65 working days.
- 6.3. If the anticipated legislative changes result in quicker turnaround requirements for damp and mould repairs, such as 15 days to complete (end-to-end) the KPIs will be amended to align with and meet or exceed the mandated target.

**7. Baseline & Current Position**

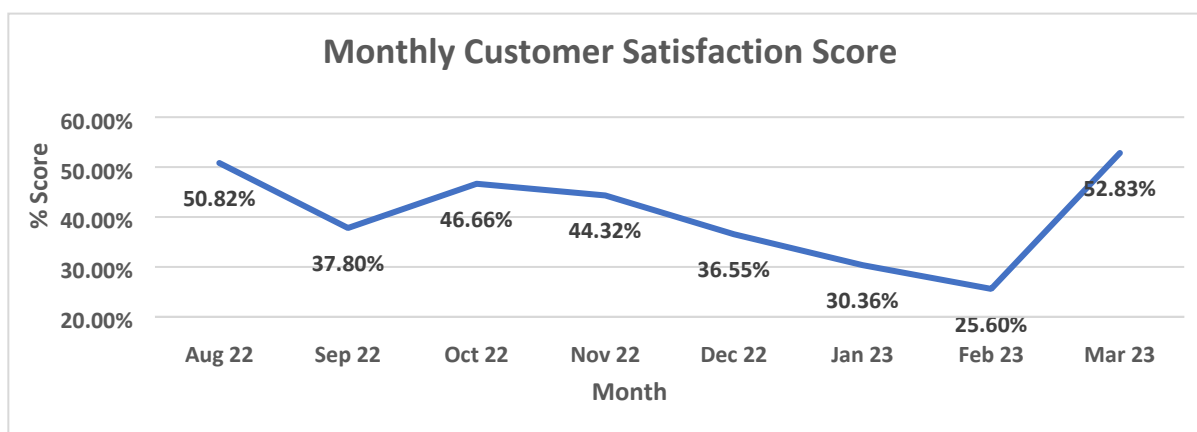
- 7.1. The below table sets out the baseline position as of 1 April 2023 for all outstanding (Legacy) repairs, totalling 6,474, and the position of both Legacy and BAU repairs as a snapshot on the 18th April 2023. Of note, is the overall reduction of 1,568 legacy jobs between the 1st and the 18th of April 2023, including 161 damp and mould cases.

WIP	Legacy			BAU		Total WIP 18 April 23	Total WIP Reduction from 01 April 23
	01 April 23 (Legacy Baseline)	18 April 23	Reduction	18 April 23	Target Completion Weekly (6 week demand average)		
Responsive	5,700	4,499	1,201	970	726	5,469	231
Compliance	552	209	343	392	292	601	(49)
Disrepair	221	197	24	11	3	208	13
<b>Total Repairs</b>	<b>6,474</b>	<b>4,906</b>	<b>1,568</b>	<b>1,373</b>	<b>1,020</b>	<b>6,279</b>	<b>195</b>
Damp and Mould	1,440	1,279	161	53	33	1,332	108
Surveys	276	145	131	64	59	209	67
<b>Voids Total (Trackers)</b>	<b>163</b>	<b>134</b>	<b>29</b>	<b>31</b>	<b>13</b>	<b>165</b>	<b>(2)</b>

**Table 3**

## 8. Customer Satisfaction

- 8.1. Customer satisfaction with our repairs service reached an all-time low in February 2023 (26%), insights from the data suggest that dissatisfaction is attributable to delays in accessing the service by phone, missed appointments, time taken to complete repair, lack of communication and operatives' attitudes to residents' homes.
- 8.2. A service improvement plan is currently being devised by the Strategic Director of MyPlace to address these issues and improve the repairs experience for residents. This is a key priority for My Place and will underpin all transformation work undertaken.
- 8.3. As can be seen from the below table, there was a recovery of customer satisfaction in February to 53%, which is the highest level achieved in recent times. However, we recognise that much more needs to be done before we can achieve a consistently high customer satisfaction rating.



**Table 4**

## 9. Legal Disrepair

- 9.1. There are currently 208 open legal disrepair cases, compared to 308 reported to the Overview and Scrutiny Committee in October 2022. This represents a 32.4% decrease in open cases over this period. As can be seen from below, there has

been an improvement in both the number of open cases and the number of overdue cases from December 2022. This represents evidence of a positive direction of travel.

9.2. Table 5 shows that it remains a high-risk area as 182/208 (87.5%) of cases are currently showing as being out of target date.

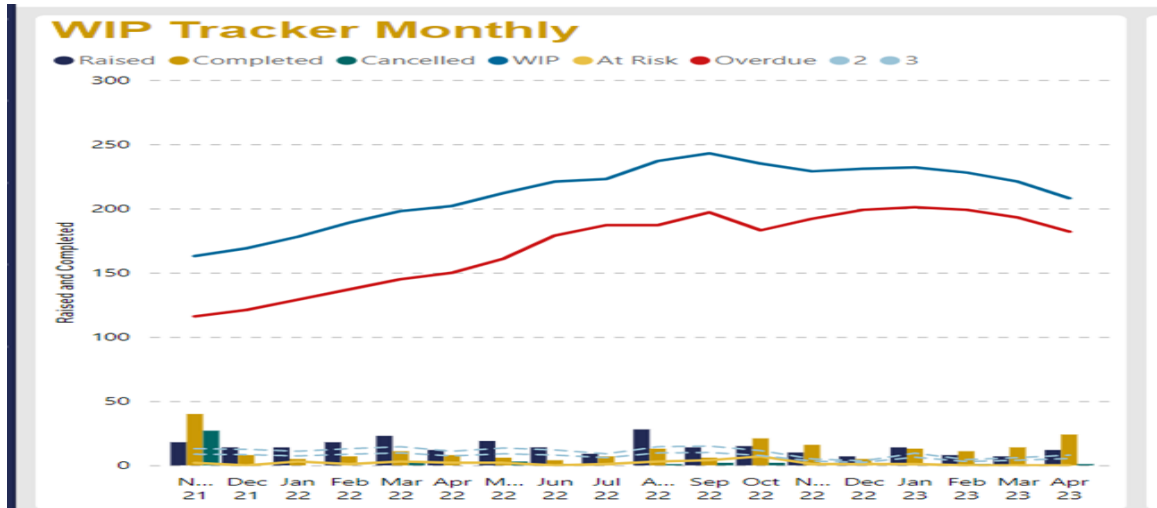


Table 5 – Legacy and BAU legal disrepair

## 10. Damp & Mould

### Damp & Mould – Legacy (Last 4 Months)

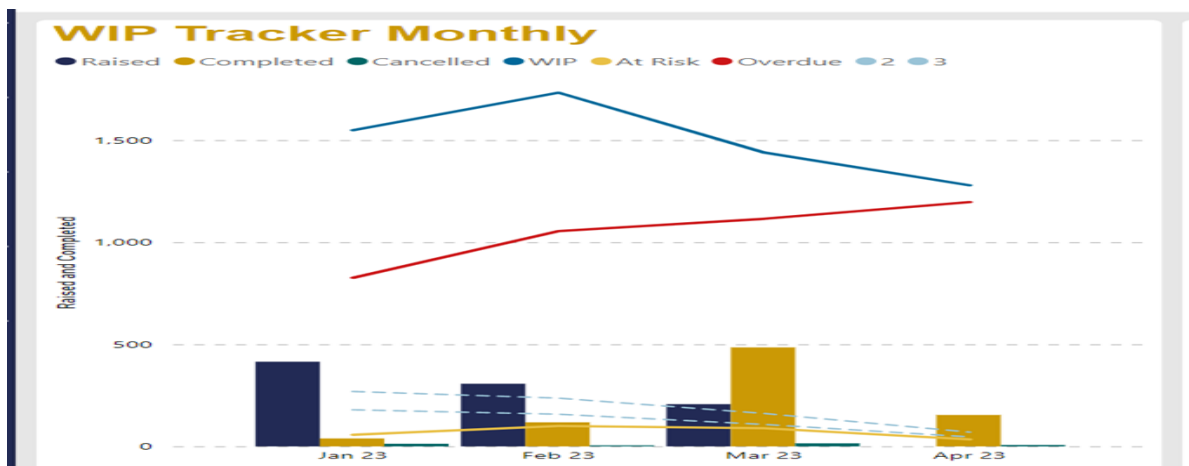


Table 6

## 11. Responsive repairs

11.1. Our current responsive repairs levels are showing improvements in terms of the number of open cases and the numbers of overdue cases, as evidenced in the table below. The table also identifies a decrease in cases at risk of becoming overdue and the closing of the gap to the WIP target in March 2023. This represents the biggest achievement in the data set since November 2021.

11.2. Of note, is the number of raised Repairs Nov, Dec, Jan 22/23 v 21/22, 2,000 (15%) more repairs were raised.

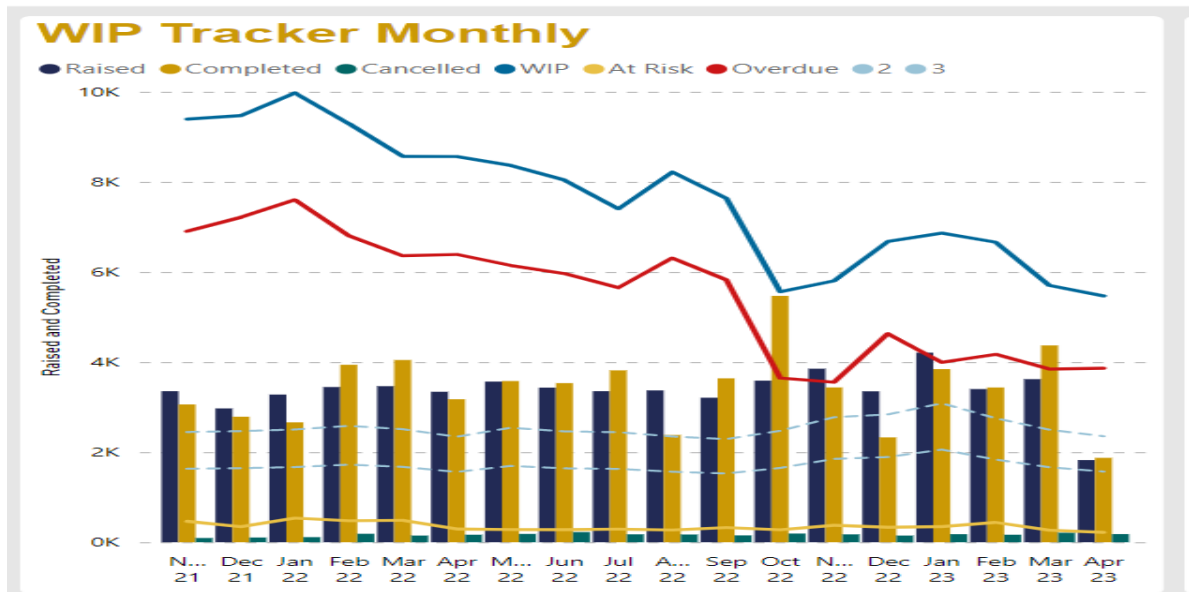


Table 7 – Legacy and BAU responsive repairs

11.3. The current WIP of 5469 represents 7 weeks of WIP against a target of 2.5 – 3 weeks of WIP. 3864/54 (71%) are overdue.

**12. Voids**

12.1. The Current void WIP stands at 163. The agreed target is to complete all existing voids and have no more than 40 in-target voids sitting with our BAU team. We are currently projecting reaching this target by the end of P6. The table below sets out the negative direction of travel for the voids service.

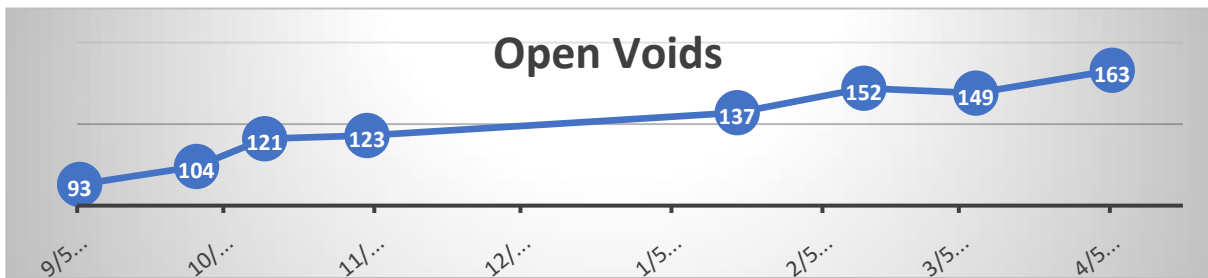


Table 8

**13. Current State of Service**

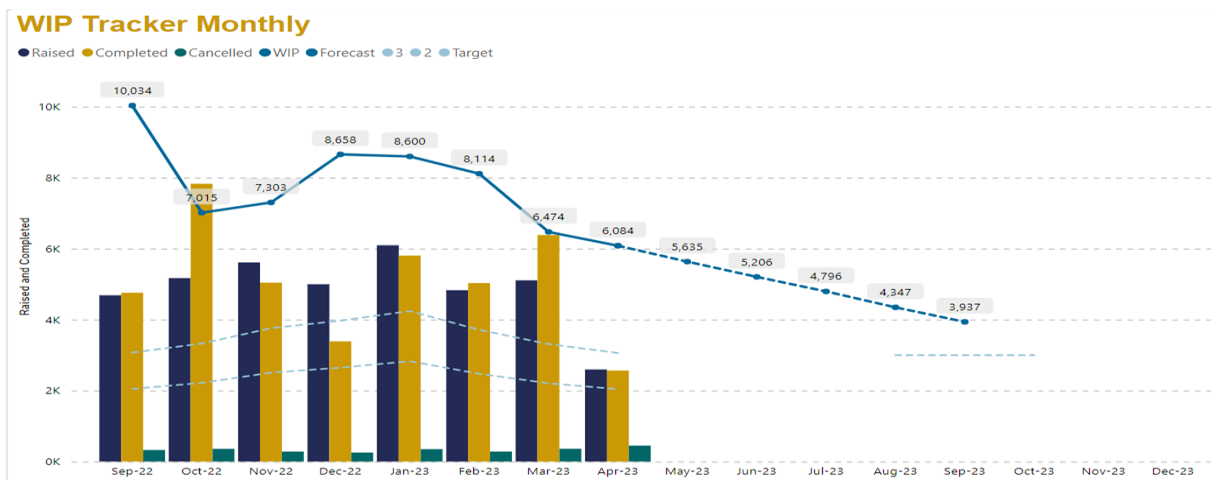
13.1 Whilst the content of this report indicates that there are active action points and agreed new ways of working that should lead to an overall improvement in the service in the future, these should not be viewed as factual gains at this time. There are several high-risk areas that are still significantly adrift from where these should be, and this remains a major concern to the Council and needs to be managed effectively to ensure our residents can live safely in their homes.



- 13.2 Many of the outputs and improvements needed to improve and maintain the service to a “good” level, rely wholly on the productivity of our WeFix team and work is being undertaken to ensure that they are aware of the Council’s expectations around this.
- 13.3 The regulatory landscape regarding repairs is tightening and as a local authority, our repairs services will be inspected every four years by the Regulator for Social Housing, under new legislation in the Social Housing Regulation Bill. Whilst other councils are already preparing themselves for this new inspection regime, there is a danger that we will fail to do this due to being consumed by the existing repairs issues.

**14. Clearing the Backlog (Legacy)**

- 14.1. The agreed target is to clear all legacy repair works by P6, 2023. The below table predicts the reduction of the legacy WIP based on the assumption that we continue to complete 195 legacy jobs on a fortnightly basis. It is important to note that this is dependent on future demand fluctuations which will also need to be managed.
- 14.2. If repairs WIP reduction continues at 195 repairs every two weeks, and this is extrapolated to P6, the WIP will be c.900 repairs over target. Noting that there are 24 weeks remaining and additional suppliers are being on-boarded, and BDMS is only two weeks into our improvement plan, provides assurance that the plan is achievable at these early stages.



**Table 9 – Forecast for clearing legacy WIP by P6**

- 14.3. Table 10 sets out our initial updates to our five key operational priorities for clearing the WIP and instilling a “good” BAU repairs service. All early indications are positive on achieving the outputs of our “Green Shoots” service recovery program.

5 Key Operational Priorities	Update 18 April
<p><b>Prioritising the WIP</b></p> <p>RAG rating the WIP and building a detailed delivery plan for each service</p>	Damp and Mould has been prioritised, work is ongoing to refine and verify the ratings. Repairs ratings are being agreed, primarily based on age. Voids are being scheduled with two new onboarded suppliers to clear the legacy WIP. Disrepair contractors are being onboarded, and a plan being developed. At this point there is reasonable confidence that the targets for P6 will be delivered.
<p><b>Subcontractor capacity</b></p> <p>Reviewing and agreeing new rates for suppliers that won't take work and onboarding new suppliers to increase capacity</p>	The existing suppliers are providing proposals for rate increases, as there has been minimal increases for 4 year, meaning suppliers are reluctant to take work. New suppliers are mobilizing for Voids and Disrepair, and have already been mobilized for Damp and Mould. Additional suppliers for repairs will also be onboarded.
<p><b>Planning process</b></p> <p>Cleanse the repairs data (surveyor inspections mixed with work, duplications, jobs complete not closed), diary capacity and allocating the WIP to improve productivity</p>	Surveyor inspections have now been separated out of the work using PowerBI. Error reports and jeopardy reports have been created and will be launched so that planners can cleanse the data, and routinely update job status. Work is ongoing with planners to ensure diaries are full for the WeFix and BDMS operatives.
<p><b>MI PowerBI reporting (Backlog and BAU)</b></p> <p>Data and error reporting, WIP reporting, PI reporting and Operational MI</p>	Repairs, Damp and Mould, Surveyor inspections, Compliance and Disrepair WIP and Error reporting is complete and ready to be launched. Voids reports are now being worked on. PI reporting will be ready to report performance of April early May. Operational reporting (travel, productivity, FTF, Followons etc) will subsequently follow.
<p><b>Office working</b></p> <p>Agree and implement a hybrid working model so teams are collaboratively working in teams in the office</p>	Teams have started spending more time in the office to create collaborative on site working. Plans are being put in place along with space planning to have teams in on set days whilst we deliver the green shoots project. This is important to create a culture of can-do delivery, where the focus is on "get the work done safely"

**Table 10**

## 15. Planned Maintenance & Capital Works

	Budget	Commitment in E5	Work completed to 31 March 23	Overspend/Underspend to date
<b>Overall Spend</b>	£18,690,944	£7,468,105	£18,751,469	£-60,525
<b>BDMS</b>	£9.8m	£8m	£8m	£1.8m

## 16. Financial Implications

Implications completed by: Philip Gregory, Strategic Director, Finance & Investment

- 16.1 The performance of BDMS has a direct financial implication on the Council. The Council has an expectation that BDTP will generate profits and return a dividend of £2m per annum. Where this dividend is not paid, there is a direct cost to the Council to fund the lost income.
- 16.2 The cost of the services provided by BDMS have increased significantly and value for money needs to be demonstrated by benchmarking costs to similar organisations. The Housing Revenue Account (HRA) bears a significant proportion of these cost increases, and this places the HRA budget under severe pressure. In order to balance the HRA budget, there will be a commensurate reduction in funding for capital works (e.g., replacement kitchens and bathrooms) which is likely to continue unless the cost of the BDMS contract can be reduced. The poor performance of BDMS also restricts the ability of the Council to accurately charge leasehold tenants for works, resulting in financial costs being borne by the Council.

- 16.3 It is imperative that BDMS, supported by MyPlace, continue to address the issues detailed throughout the report to improve the service delivered to tenants in the Borough and to protect the financial position of the Council both as commissioner and shareholder of BDTP.

## **17. Legal Implications**

Implications completed by: Paul Feild Principal Standards & Governance Lawyer

- 17.1. The Local Government Act 1999 imposes a general duty on all local authorities to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.
- 17.2. Reference has been made to a proposed change in the law in terms of the landlord's obligations to tackle disrepair. It is known as 'Awaab's Law'. This change is named after the tragic death of two-year-old Awaab Ishak, found by a Coroner's Inquest to be caused by the damp and mould in his home, which will require landlords to fix reported health hazards within specified timeframes to be set out as amendments to the Social Housing (Regulation) Bill. In any event such conditions would currently be in breach of the decent homes' standard and under current law, a landlord would be at risk of legal liability including a statutory nuisance.

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

**List of appendices: None**