

Report to: Housing Review Board



Date of Meeting 21 January 2021

Document classification: Part A Public Document

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Review date for release N/A

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## Update on Integrated Asset Management Contract

### Report summary:

Our Integrated Asset Management Contract commenced on the 1 July 2019, we have now had the contract in place for over a year.

This report will update Members on progress made over the last year, during Covid-19 and our annual review of our partnership with Ian Williams Ltd.

### Recommendation:

For information only

### Reason for recommendation:

To ensure Members are up to date with ongoing contracting arrangements covering the reactive repairs and void management of our housing stock

Officer: Graham Baker - Property & Asset Manager

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Portfolio(s) (check which apply):

- Climate Action
- Coast, Country and Environment
- Corporate Services and COVID-19 Response and Recovery
- Democracy and Transparency
- Economy and Assets
- Finance
- Policy Co-ordination and Regional Engagement
- Strategic Planning
- Sustainable Homes and Communities

### Financial implications:

As mentioned within the body of the report, consistent and quality monitoring of the contract is required to ensure the financial benefits that are expected from the Integrated Asset Management

Contract (IAMC) through the Price per Property (PPP) and Price per Void (PPV) models are achieved.

### **Legal implications:**

There are no issues raised in the report on which Legal Services need to comment at this time, but if performance continues to fall below that which is set out within the contract then there needs to be consideration of penalty clauses. Early legal advice needs to be sought.

### **Equalities impact** Choose an impact level

Medium Impact

We have involved tenants throughout the process through the Housing Review Board, tenants groups and as part of the evaluation process. We have continued to involve tenants throughout mobilisation through tenant groups and through direct representation on a number of working groups.

### **Climate change** Medium Impact

We have engaged with Ian Williams as one of our key Partners in relation to their Carbon Footprint and this work is ongoing.

**Risk:** High Risk

Not having sufficient contracting arrangements in place presents risks to management and maintenance of tenant's homes.

**Links to background information** [HRB Agenda 24 January 2019](#) (Item 10) [HRB 20 September 2018](#) (Item 11) [HRB 21 June 2018](#) (Item 13) [HRB 11 January 2018](#) (item 11) [HRB 12 January 2017](#) (item 14 and 15) [HRB 9 March 2017](#) (item 11) [HRB 15 June 2017](#) (item 9) [HRB 7 September 2017](#) (item 10) [HRB 28 March 2019](#) [HRB 20 June 2019](#) (item 11)

### **Link to [Council Plan](#):**

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

## **1. Background**

- 1.1 At the January 2020 meeting an update was provided to the Board identifying a number of areas that are being monitored very closely in order to work towards improved performance. Since that time, intense work has been carried out and is continuing with a number of Officers focusing on all elements of the contract to continually seek improvements with both the day to day management and performance of the Contract.
- 1.2 In the Autumn of 2020 we commissioned our Consultants Echelon to carry a the first detailed review of the Contract, their Report is currently being reviewed in detail; generally the Review looked at how the Contract is progressing, areas that need attention and areas that are working well. We are currently reviewing the recommendations of the Report and working with Ian Williams to agree and implement the recommended changes and improvements.

The general conclusion of the review is that the overall, the contract is making a reasonable positive contribution to central office overheads and profit. The individual workstreams are varied in that dwelling repairs made a significant positive contribution and compliance made a reasonable positive contribution whilst voids only made a small positive contribution and non-dwelling repairs made a loss

## 2 Staffing-

### Ian Williams EDDC

2.1 Ian William's are currently fully staffed at management level but the operative's numbers fluctuate, they are constantly reviewing their operative levels and carry out recruitment as required to maintain the required levels. An area that is being explored is reviewing the skillset of the operatives to ensure that as well as having the required number of operatives they have the required skills to deliver on the Contract.

The recruitment of multi-skilled operatives in East Devon proved difficult which in turn impacted on their ability to complete a range of jobs on one visit.

We are continuing to monitor their sub-contract base to ensure that they have the required resource in place to both carry out specialist work as required and to provide additional support to the direct delivery teams as required; it is evident that they need to increase their level of sub-contract support.

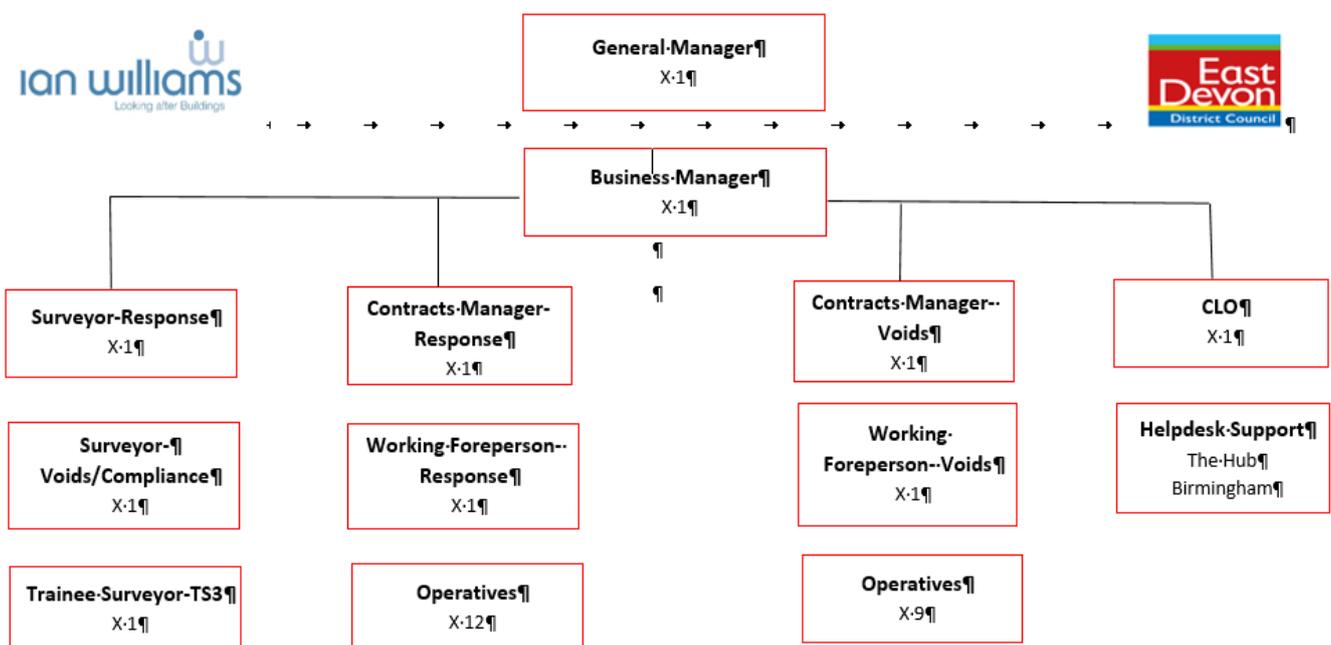
Ian Williams are currently advertising and interviewing for a Void Supervisor Role, to manage all voids, this role will work hand in hand alongside their Void Contract Manager to help assist in all areas of the voids. This will then allow the Void Contract Manager to focus more time on compliance and the overall void performance.

In addition Ian Williams have created a 'Customer Liaison Officer' role to work closely with EDDC's Business Development & Customer Improvement Manager to manage complaints and tenant issues/queries relating to repairs/voids.

Ian Williams office staff are currently based working from home due to the current pandemic, this will be ongoing until it is safe to work in an office environment once again.

Below is the current Ian Williams structure:

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Under the Contract there is a requirement for two schedulers from Ian Williams to be co-located in Exmouth Town Hall but this very quickly reduced to one due to resignation. This arrangement has always proved a challenge and was under review prior to the Covid 19 lockdown. Once Covid restrictions are lifted the Contract will be reviewed to decide if we return to co-location or continue with the present arrangement that is contrary to that set out in the Contract.

The absence of these schedulers has resulted in all scheduling being carried out by the central Hub/Call-Centre located in Birmingham. This arrangement throws up operational challenges which can take time to address.

At present whilst Ian Williams deliver the handyperson service the demand is such that it doesn't justify the employment of a permanent dedicated Handyperson operative that is a requirement of the Contract.

We are aware of the significant importance of the Handyperson service to our tenants and have advised Ian Williams that this role must be reinstated as required by the Contract, coupled with this EDDC will also be carrying out a review and re-branding/advertising of the service, this is currently ongoing with our Housing Business and Customer Improvement Manager working closely with our housing services team.

With the continuing impact of the Covid pandemic the demand for the Handyperson service remains low which is understandable bearing in mind the demographic of the Tenants that the service is aimed at.

## 2.2 **EDDC**

We are continuing to stabilise our own staffing arrangements and have been working closely with human resources to ensure that the Property & Asset team is back up to full capacity at the earliest opportunity.

We currently have the following vacancies:

- 1no. Senior Technical Officer (Asset Management & Climate Change)
- 1no. Programmed Works Officer
- 1no Programmed Works Officer (Climate Change)
- 1no. Technical Officer
- 2no. Reactive/Void Surveyors
- 1no. Repair Advisor

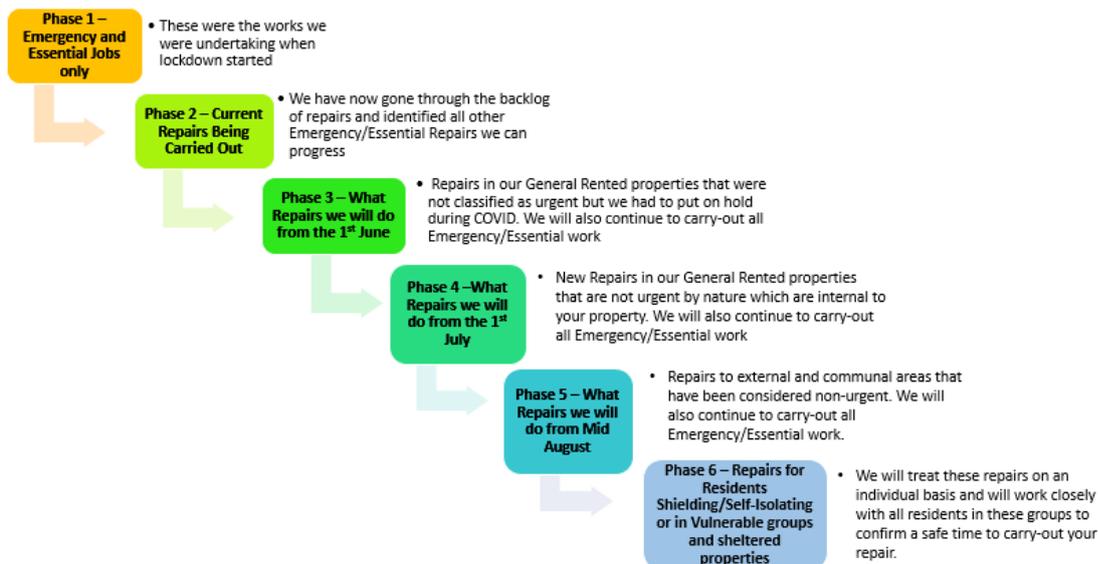
Recruitment is currently under way to fill these roles.

2.3 We have recently recruited two Repair Advisors to help manage the demand on the service, this has now partly addressed the understaffing issue on our frontline team. They are learning and understanding the contract to enable them to deliver the best possible service to our Tenants and colleagues within the wider Housing Team.

## 3. **Covid 19 Pandemic**

3.1 Once the restrictions imposed by the initial lockdown imposed in March of last year were eased we implemented a six part re-mobilisation plan all as set out below:

## REPAIRS SERVICE RE-MOBILISATION PLAN



3.2 As part of the re-mobilisation plan both Ian Williams and EDDC recognised the importance to portray a consistent approach with communications.

3.3 The re-mobilisation plan was efficiently delivered and the Contract returned to ‘business as usual’ during September 2020 (with the exception of work to properties where residents may still be shielding/self-isolating) but with the caveat that Health & Safety working restrictions for operatives still apply.

3.4 The void side of the service has still to return to normal and as set out in the Contract as at present Health & Safety restrictions prevent the pre-inspection process being carried out while a property remains occupied other than that they are being in accordance with the Contract.

## 4 Current position

4.1 Following challenges thrown up by the Covid 19 as already stated the IAMC Contract has now returned to a relative state of normality.

4.2 We have now entered the second year of the Contract, as part of this milestone our external Consultants, Echelon have carried out the annual review all as set out in the terms of the Contract.

4.3 Whilst focus will remain on the core elements of the Contract we are looking forwarding to working with Ian Williams to:

- Enhance and develop the compliance and cyclical servicing work streams that have been introduced into the Contract.
- Review and re-launch the handyman service.
- Introduce a programme of property MOT’s.
- Introduce scheme service days.
- Develop the Social Value delivery side of the Contract.

4.4 Following an announcement by the Prime Minister on 4<sup>th</sup> January 2021 we have now entered a further national lockdown due to an escalation in the Covid pandemic, the lockdown is not as restrictive as that imposed in March 2020 and we are therefore able to maintain the delivery (business as usual) of the IAMC Contract subject to compliance with all statutory Government Health & Safety guidance.

- 4.5 Whilst we and our Contractors are able to maintain delivery of the service we remain mindful that some of our Tenants may fall into the vulnerable/shielding categories defined by the Government and as such access to properties may be restricted and impact on the ability of Contractors to carry out required work.
- 4.6 The nature of the Covid pandemic is such that Government Guidance is forever changing, as a Property & Asset Team we, with our Contractor closely monitor all such information as it is released, this being the case we are able to react and tailor the service to deliver the best possible service in line with such Guidance.
- 4.7 In addition we also have a robust communication plan in place to ensure that all changes are relayed to our colleagues in the wider Housing Team and importantly to our Tenants, all platforms are utilised to deliver these messages.

## **5. Complaints:**

- 5.1 We regularly review and monitor complaints resulting from both reactive repair and void works, the intention is always to address and complaints in a timely manner to avoid them escalating.
- 5.2 As well as addressing complaints we are now adopting a 'lessons learnt' discipline as part of any review to identify what has gone wrong and why, then hopefully put measures in place to prevent re-occurrence.
- 5.3 Complaints are an Agenda item at all monthly Operational Group meetings.  
We are looking into remobilising our Repair Group, as this was on hold due to Covid-19, complaints will be discussed in this group.
- 5.4 Our Housing Business and Customer Improvement Manager has created a quarterly complaint and issues review for Ian Williams, this highlights trends and areas that need quick improvement. This highlights the lessons learnt and in which area (ie. Contractor, Council etc.)

## **6. Customer Satisfaction:**

- 6.1 During Covid Customer Satisfaction surveys fell off the radar, we have now re-focused our efforts in gathering data in this area as we fully understand the importance of such feedback, indeed is one of the reportable key performance indicators (KPI's).
- 6.2 Following consultation with our Repairs Service Review Group the questionnaire has been adjusted and the questions altered to better suit the tenants and the KPI requirements of the Contract. Paper surveys are now being distributed by our Contractor and are supported telephone surveys carried out by our Repairs Advisors, all of which is giving us a clear informed indication on Ian William's performance.
- 6.3 We are finalising a void questionnaire that we will be left behind at our recently tenanted properties, this will then enable the incoming tenant to advise us on the property and their feedback on the service. This is in the final consultation stage with our colleagues in the Allocations Team as the feedback will also relate to elements within their service.
- 6.4 KPI monitoring has proved challenging during the Covid period, as restrictions are lifted KPI reporting has returned to a semblance of normality.
- 6.5 A single KPI Report is produced and reviewed in detail at the monthly Operational Meetings and signed off as agreed; the KPI's are then presented quarterly to the Core Group for final agreement/acceptance.
- 6.6 Our KPI's are now running in line with the contract, this has made improvements on both sides, such as; Voids, Post Inspections and Data being accurately recorded and monitored.

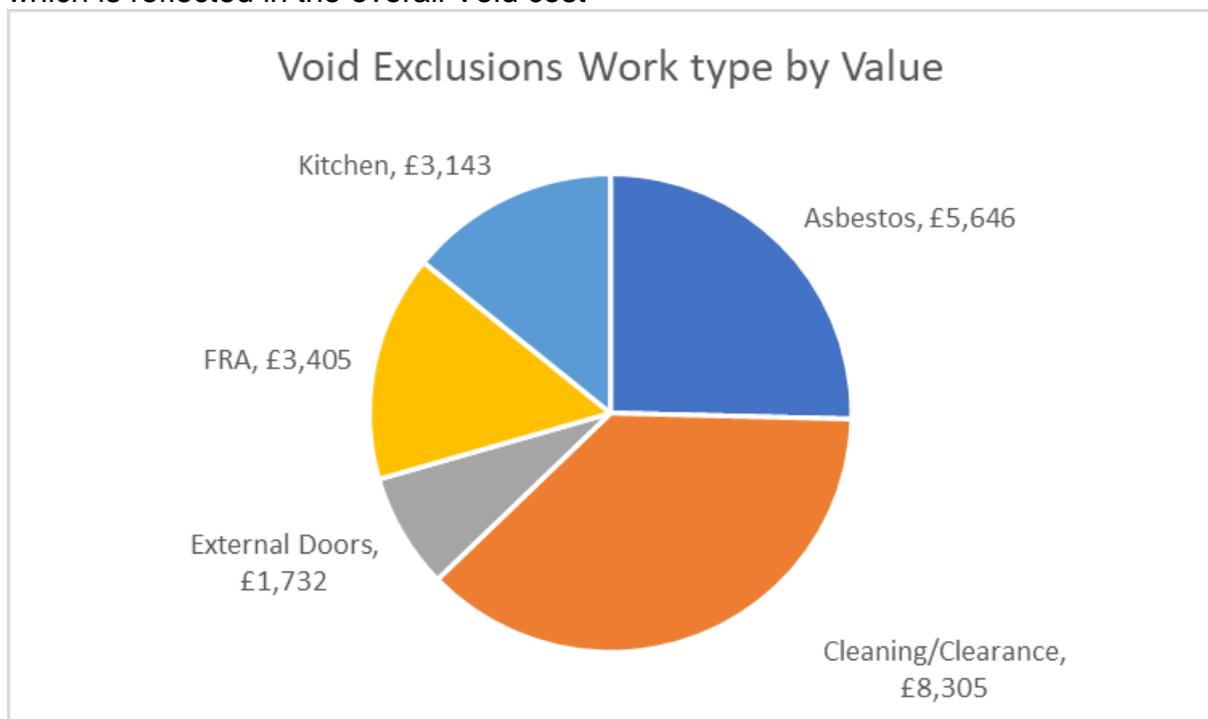
## 7. Cost Analysis

7.1 We are working closely with finance to carefully monitor costs. We hold a monthly financial meeting to discuss payments, trends and budgets to ensure we remain on target.

### 7.2 Voids

Voids are monitored on a property by property basis and highlighted as to whether they are above or below the PPV threshold. In our November 2020 KPI report, this highlighted our average PPV cost is at £3,461 this has dramatically improved, July's KPI was £6,088 which was high, this was due to the constant exclusions being added onto most voids. We have seen a huge improvement on costs to our void properties.

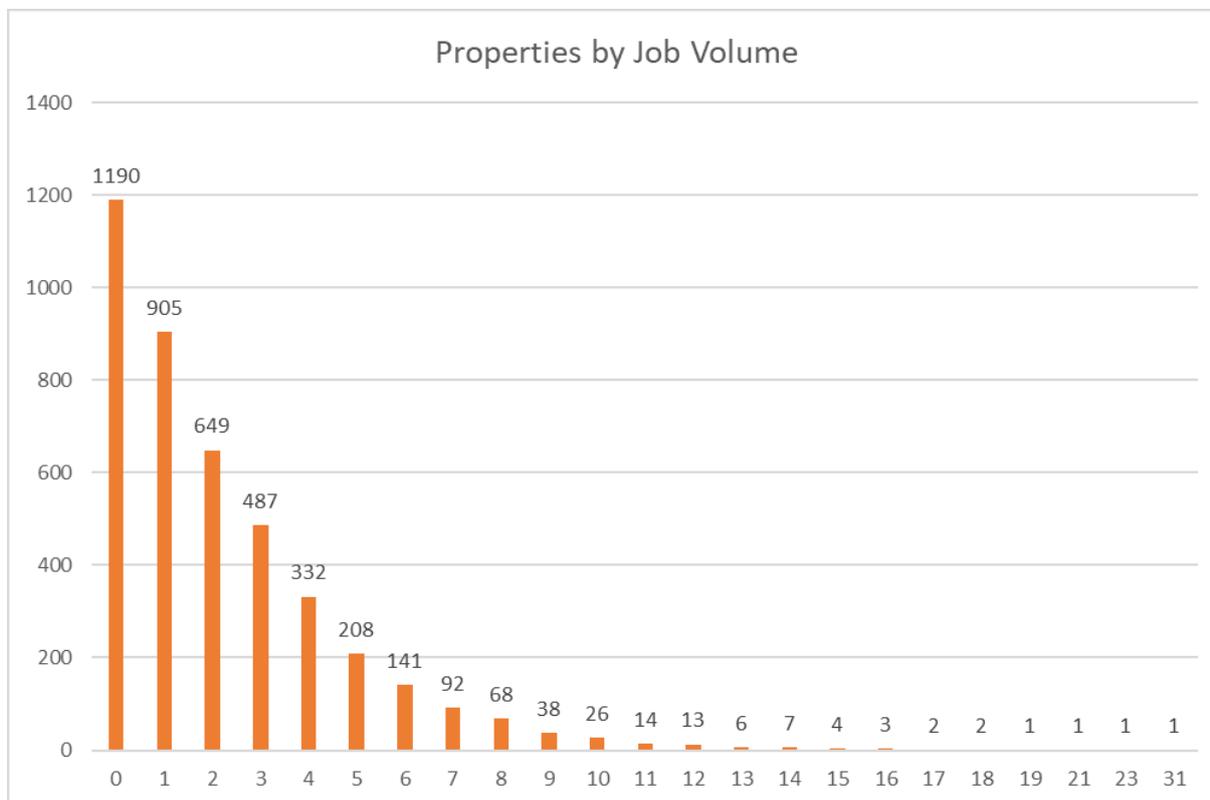
Exclusions from the PPV is constantly reviewed on voids, the following diagram illustrates typical exclusions; the pie chart relates a sample of 15 voids reviewed on a desktop basis and shows the highest 5 types of exclusion/expenditure which covers 57% exclusion related spend in a the sample (NOTE: this sample was taken from Voids carried out early in the Contract and whilst highlighting the issues exclusions are now generally being reduced which is reflected in the overall Void cost



### 7.3 Price Per Property (PPP) Analysis

All PPP costs incurred are separately reviewed on a month by month basis with the Price Per Property monthly payment of £118k.

The following diagram indicates the properties by repair volume during the first nine months of the Contract:



7.4 On average 2.25 repairs are carried out per property, and as shown in the graph, a total of 1,190 properties have had no repairs carried out in the year. This equates to 28% of EDDC tenanted properties. The number of repairs per property is moderately higher than would be expected for a nine-month period. The number of properties with no repairs is also slightly lower than average, which we would typically expect to be around 30-35%. There may be multiple reasons for this higher volume of repairs such as the demographics of the residents and residents' trust in the service, due to this it is difficult to reduce repairs volumes.

7.5 At the high demand end of the scale, there are a total of 15 properties which have had over 15 orders in the year.

7.6 For the high-volume properties, the majority had quite varied types of repairs. These properties/repair volumes are currently being reviewed.

## 8. PPP Exclusions

8.1 All works that are excluded from PPP are separately monitored on a property by property and job by job basis. Each one is flagged as to being above or below the 1k agreed job limit. Where a job is below the £1k limit this will be reviewed to ensure we are comfortable that the reason for the exclusion that was made at the confirmation stage was correct.

## 9. Conclusion

9.1 Following our report in September 2020, we have seen a vast improvement across board to the Ian Williams contract including:

- Our costings per void has decreased.
- Further training had been provided by external consultancies across board, to heighten the awareness of how the contract works.

- We are looking forward to building on our working relationship with Ian Williams and further improving the delivery of the IAMC Contract.