



Report to Safer and Stronger Scrutiny & Policy Development Committee 23rd July 2015

Report of: Janet Sharpe

Subject: Customer Engagement in the Housing Repairs Insourcing Project

Author of Report: Iain Allott, Strategic Project Lead, tel. 36495

Summary:

At its meeting in March 2015, at which the Housing Repairs Cabinet Report was called-in, Scrutiny Committee requested a report back on:

- Full costings of a ballot of tenants and leaseholders on the option to insource the repairs service
- Other options to get the views of tenants
- A number of general repairs issues
- The Committee also asked that tenant representatives be invited to the meeting.

In summary, the full financial cost of a ballot would be approx. £163,500 - this is an estimate based on a previous tenant ballot undertaken. This is not a cost which is factored into the current Housing Revenue Account (HRA) Business Plan. The cost of undertaking a ballot in terms of the time it would take is approx. 8 - 9 months, which would have a severe negative impact on the Project. There is no legal requirement for us to undertake a ballot on this issue.

There is already a thorough and robust tenant engagement framework through which customers can contribute to shaping the repairs service. We know what customers want from the repairs service, and that these requirements are the same regardless of who delivers the service. We therefore believe that our resources should be focused on getting those elements right so that the service meets the ambitions of our customers.

The report also recommends that a Member Task and Finish Group be established to review the Housing Repairs Service.

Type of item: The report author should tick the appropriate box

Call-in of Cabinet decision	<input checked="" type="checkbox"/>
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The Scrutiny Committee is being asked to:

The Committee is asked to consider the content, conclusions and recommendation within the report and provide views, comments and recommendations.

Background Papers:

N/A

Category of Report: OPEN

Report to the Safer and Stronger Communities Scrutiny Committee: Customer Engagement in the Housing Repairs Insourcing Project

1. Introduction / Context

1.1. In response to the public questions raised by the Scrutiny Committee on 26th March 2015 regarding the Housing Repairs Cabinet Report, information was provided which described how tenants had been consulted on and kept informed of the Repairs Project. For reference / information, this response is attached as Appendix One.

1.2. Following this, the Committee requested a report back to their first meeting of 2015/16 with further information on:

- Full costings to hold a full ballot of tenants and leaseholders on bringing the repairs service in house
- Other options to get the views of tenants, again fully costed.
- The Committee also asked that tenant representatives be invited to the meeting.

1.3. This paper seeks to address these follow-on questions, and provide reassurance to the Committee around the level of tenant and leaseholder engagement / involvement in the project up to the point of transfer (March 2017), and beyond.

1.4. At their meeting on 26th March, the Scrutiny Committee also raised a number of more general questions about the current Housing Repairs contract. These were in relation to:

- Condensation
- Call centre issues
- Repeat visits to properties
- Communication
- Performance management / monitoring
- Programmed works information

The Committee asked for a report to be presented at a future Scrutiny meeting addressing these concerns, so this paper also responds to these items (in section 7).

2. Financial implications of a full tenant and leaseholder ballot

2.1. In 2012 the Council undertook a full ballot of tenants to determine their preference for the future management of the housing service (ie. continue with an Arms-Length-Management-Organisation or transfer it back into the Council). The costs given below are therefore based on the cost of undertaking that ballot as no other similar exercise has been undertaken since (**please note: These costs are only indicative based on the 2012 ballot, and further procurement and commissioning work would be needed to produce more definitive costs**):

Activity	Estimated cost
Procurement of an independent organisation to undertake the ballot	£25,000
Leaflets and other documents produced and distributed to all tenants to enable them to make an informed decision (including design work and	£96,000

distribution)	
Use of Customer Services to target calls and receive queries during ballot period	£5,500
Venues for events / meetings to promote the ballot and provide information	£4,000
'Consultation bus' to promote the ballot around the city	£4,500
Procurement of Independent Consultancy to oversee consultation process	£21,000
JC Decaux posters (60 sites city-wide)	£1,500
Staff hours for attending meetings, events, drop-in sessions, preparing the above materials, sourcing and contracting-managing the external professional services required, etc (based on 400 hours at middle of Grade 7)	£6,000
TOTAL	£163,500.00

2.2. There is no provision in the Housing Revenue Account (HRA) for this (with the potential exception of the staffing costs of £6000 – see below for more detail), and so work would have to be done to identify where this money would come from - potentially by top-slicing the budget for a particular maintenance / investment programme. This could mean, for example, the following would need to be foregone:

- 60 new central heating systems, **OR**
- 55 new kitchens, **OR**
- 80 new bathrooms, **OR**
- 60 new windows

2.3. If existing staff were used to support the ballot, there would be no additional cost for their time as they would be in existing HRA-funded posts. However, they would be unable to deliver some or all of their existing duties whilst supporting the ballot and so there would be a cost in terms of other work being delayed / not delivered.

2.4. If existing staffing resources couldn't be utilised to support the ballot (for example due to other business-critical service needs) then *additional* temporary resources would need to be recruited and so the staff costs would be an additional cost to the HRA.

2.5. Preparing for and running a full ballot would also be expensive in terms of the timescales. An *estimate* of the timetable for this is as follows:

Activity	Approx. time taken
Procurement of an independent consultancy to oversee the consultation process Procurement of an independent organisation to undertake the ballot	4 months
Full communication and promotion of the ballot to all tenant and leaseholders (would include producing and distributing publicity materials, holding public meetings and briefings, etc.)	4 months
Holding the ballot and collating the results	2 weeks
Total estimated time	8 - 9 months

2.6. Undertaking a significant consultation exercise such as this would need properly planning and executing - encouraging as wide a group of tenants and leaseholders to take part would be

critical to ensure maximum benefit for the high costs involved. The timescales estimated above are again based on the 2012 ballot.

- 2.7. Most if not all of the work on the Project would potentially need to be put on hold until the results of the ballot were known. This would mean a delay of *at least* 8 months (from the point at which the decision is made to undertake a ballot) in a project for which the timescales are already challenging. A delay of this length could not be sustained, and the deadline for achieving a successful transfer at the end of the current Kier contract would not be met.
- 2.8. A further decision would then be needed from Cabinet on how the service would be delivered from April 2017, taking into account the potential outcomes of the ballot, until longer-term arrangements were in place - putting the service at risk of interruption and instability.

3. Legal requirement for a ballot

- 3.1. The Council undertook a full ballot of tenants before setting up the ALMO (Sheffield Homes) in 2004. This was as a result of guidance on establishing ALMOs issued by the Secretary of State, which emphasised that “applications by an authority to establish an ALMO must demonstrate (by ballot or otherwise) that the proposed ALMO has the support of a majority of the tenants who would be affected”.
- 3.2. When the future of council housing management was being considered again in 2011 in preparation for the end of the Management Agreement with Sheffield Homes, the Secretary of State issued further guidance. This said that “The Government’s Communities and Local Government department expects the same level of consultation to be undertaken by Local Authorities to change housing management arrangements as took place when establishing the ALMO”. As a ballot had been held in Sheffield to establish the ALMO, a further ballot was therefore undertaken as part of the review of those arrangements.
- 3.3. The housing management functions covered by the ALMO agreement (and subsequently brought back in-house) were wide-ranging and had a significant effect on all tenants. Insourcing the housing repairs and maintenance service, even though it potentially affects every tenant, is basically a single function within the housing-management service and so the same consultation arrangements are not necessarily appropriate in this case. A full ballot would be an expensive and unnecessary drain on the HRA.

4. Other options for obtaining the views of tenants and leaseholders

- 4.1. Consulting and communicating with our customers is a fundamental part of any service change. Customers are pivotal to setting the service standards and determining how the service is designed. They have told us that what matters most to them in terms of the repairs service are the performance levels, customer service, ease of access, range of services provided and value-for-money of the service - regardless of who delivers it. These crucial elements need to continue to be our focus in the consultation we do over the coming months.

4.2. Existing customer engagement and governance framework

- 4.2.1. There is a strong and robust existing tenant engagement structure within the Council Housing Service, which gives all tenants the opportunity to be involved in shaping services and influencing decisions. Parts of this structure are citywide, some have a local focus;

some elements are service specific whilst others have a broader, more general remit. Attached in Appendix Two is a structure chart illustrating all the existing engagement channels for tenants and leaseholders.

4.2.2. In terms of the Repairs Service, we use feedback from a variety of sources to help inform service delivery and improvements. The key channels / forums for customer engagement in the Service are:

- **Housing and Neighbourhoods Advisory Panel (HANAP):** The Panel (which meets monthly) consists of tenant representatives from each council-housing Area of the city, as well as a leaseholder representative. It acts as a consultation, discussion and scrutiny forum for services delivered to tenants and leaseholders - and acts as a sounding board and source of advice for the Cabinet Member on relevant issues. It plays an active role in developing policies and strategies, and - as a key element of the housing service – the Repairs Service features frequently on the agenda.
- **City-wide Forum (CWF):** This bi-monthly Forum is attended by representatives of Tenant and Residents Associations (TARAs) across the city. It is used to consult on city-wide changes to housing services, inform customers of changes to local or national housing policies and to debate on issues through workshops to help inform decision making. Again, as a key service to customers, repairs-related issues often feature on the agenda.
- **Local Area Housing Forums (LAHFs):** Each Area has a bi-monthly LAHF, which is attended by representatives from local TARAs. Key issues affecting the Area – including those relating to the Repairs Service - are discussed here, and major issues are escalated up to HANAP.
- **Local Estates Services and Investment Forums (LESIFs):** Three of the six housing Areas have chosen to also have a bi-monthly LESIF, in addition to the LAHF – these are also attended by local TARA representatives. These look specifically at issues relating to Estates Services and Investment, and so repairs-related issues are a regular agenda item.
- **Leaseholder Forum:** This Forum represents the views of leaseholders, discusses and promotes the common interests of leaseholders and receives and responds to information relating to proposals affecting leaseholders.
- **Investment and Repairs Partnership Group (IRPG):** This Group (comprising of a number of representatives from all six LAHFs and the Leaseholder Forum) acts as the city-wide consultative forum on repairs policies, strategies, specifications and operational delivery arrangements. It helps to inform and advise on investment- and repairs-related decisions, monitors service improvement initiatives, scrutinises performance, considers issues raised in other forums (eg. LAHFs, Leaseholder Forum, etc) and provides feedback to HANAP. It also advises on how consultation should be carried out on investment and repairs activities to ensure effective tenant / leaseholder engagement.
- **Repairs Action Planning Group (RAPG):** This Group – consisting of tenants and leaseholders (alongside officers from both the Council and Kier) – undertake detailed monthly monitoring and analysis of performance and propose corrective actions to be taken to address any issues identified.
- **Customer insight information:** Regular customer surveys are carried out to obtain detailed feedback on the Repairs Service. Independent telephone surveys of customers who have received a repair (250 per month) are carried out by an external telephone-research organisation called ViewPoint. Face-to-face surveys are carried out by our

Maintenance Officers (approx. 130 per month) and a monthly postal survey is also distributed. This is all very valuable feedback – real first-hand experience of receiving the service – and is used to drive service improvements. It is compiled and presented in a regular Customer Service Report, which is discussed by the RAPG (above). Dedicated Repairs Customer Services meetings are also held to discuss performance and revise processes when required.

- **Regular customer publications:** 'InTouch' – a tenant and leaseholder magazine – is published quarterly and is distributed to all of our 44,000 customers. It includes articles on city-wide issues and key issues, and can also be used to seek feedback on service delivery / improvements. In addition, TARAs receive their own publication – called 'The Bridge' – which also covers city-wide issues and updates, but with more of a focus on tenant involvement and TARA-specific information. Repairs-related articles are included in both of these publications when relevant.

4.2.3. There are links and two-way information-sharing / updates between all of these channels – and IRPG and the RAPG both feed into the Housing Options Board within the overall SCC / Kier governance structure.

4.3. Additional repairs-specific consultation undertaken

4.3.1. Over the last 12 years tenants have been working closely with the Housing Service to develop customer service standards, which are now embedded in the Repairs Service. As described above, customers have the opportunity to discuss how performance can be improved and make suggestions based on their day to day experience of the service. These discussions are instrumental in ensuring that customers have a direct influence in the way that services are shaped and performance standards maintained.

4.3.2. During the 'It's Your Shout' consultation campaign undertaken as part of the Future of Council Housing Programme, a large number of tenants were consulted with to find out which aspects of the housing service are most important to them. The Repairs Service emerged as one of the most important areas to tenants, and so a dedicated tenant-led Service Design Project Group was established to do more detailed work on building the tenant vision for the future repairs service.

4.3.3. The vision developed and agreed by this Group has formed the basis for work now being done to develop the future Repairs Service. The Vision Statement in full is attached in Appendix Three.

4.3.4. More detailed work on how the future service should look is now being done. This work includes the development of an Operating Model, and a sub-group of IRPG has been working closely with Officers on this in recent months. This sub-group have considered key elements of the service, what works well and what could be improved – and has agreed some fundamental principles which will always be important whether the service is delivered by the Council or by an external contractor.

4.3.5. We are keen to ensure that the subgroup helping to shape the future service is fully representative, and HANAP were consulted at their meeting in May for their views on how this can best be achieved. They proposed that additional representatives – chosen from the HANAP membership – join the IRPG subgroup to strengthen its links with the wider tenant-governance structure. This has been agreed, and 3 additional members from HANAP have now been recruited onto the subgroup, including the leaseholder HANAP member.

4.3.6. This Group will not work in isolation, and will regularly feedback and consult with fellow tenants through IRPG and Local Area Housing Forums.

4.4. Customer engagement going forward

4.4.1. As can be seen from the information given above, we already have a wealth of knowledge about what tenants and leaseholders expect from the repairs service, and about their future vision for the Service. There is a very well-established and robust engagement and governance structure within the housing service, through which our customers have a multitude of opportunities to engage with, influence or simply keep up-to-date with improvements and issues relating to the Repairs Service.

4.4.2. In terms of the Repairs Insourcing Project we strongly believe that the best way to achieve maximum customer engagement in the Project is through effective use of the existing engagement framework. This will also be more cost-effective than trying to set-up further additional forums / channels – funding already exists for all of the channels listed above, and customers are familiar with their arrangements.

4.4.3. The project has already featured in a number of the above Forums / channels / publications. It has featured on the agendas of recent HANAP, LAHF, CWF and IRPG agendas - and an article was included in the June edition of InTouch which goes out to all tenants and leaseholders.

4.4.4. Based on this, a Communications Plan continues to be developed in line with the development of the implementation plan.

4.4.5. The Plan will be updated, if necessary, following feedback from the Scrutiny Committee and then shared with IRPG for their input. It will then be shared with the wider customer base at the appropriate time, via some of the channels listed above.

5. Conclusion

5.1. We know from the ongoing and long-standing consultation undertaken with tenants on the repairs service that being involved in shaping the service, good quality repairs, operatives being properly equipped with modern tools, high levels of customer-care and value-for-money are they key issues for customers.

5.2. These critical factors are the same regardless of *who* delivers the service. We therefore strongly believe that our efforts and resources should be focused on getting these elements right, and on transforming the service so that it meets the ambitions of our customers.

5.3. We can involve customers in achieving this through effective use of the robust engagement and governance structure which already exists. Investing a lot of time and money in running a full ballot on whether or not the service should be in-sourced would, in our opinion, be inappropriate and unnecessary.

6. Recommendation

6.1. That the Cabinet Member for Housing establishes a member Task and Finish Group to review the Housing Repairs and Maintenance Service.

7. Response to Committee's queries on aspects of the current Housing Repairs contract

Condensation

7.1. During winter months the repairs service receives an increase in enquiries regarding damp and mould in customers' homes. Damp can be caused by leaks either from the roof or internal water pipes. However, the most common cause is condensation.

7.2. This is not an issue unique to Sheffield and we have recently revised our guidance to customers on how to prevent damp and mould in the home. The guidance leaflet is attached as Appendix 4 and is a useful source of information which explains the common causes and effects along with suggested remedies.

7.3. Our Repairs Manager was recently interviewed by the Sheffield Star which ran a positive story in March 2015 regarding how customers can prevent damp in their homes.

Repairs Call Centre

7.4. Some issues have been experienced by customers in relation to extended waiting times when reporting repairs. An action plan has been put in place to resolve this issue and call waiting times have improved.

7.5. The action plan includes the following-

- Further recruitment to ensure adequate resources are in place to deal with demand.
- Cross skilling of call handlers to allow more flexibility to deal with demand peaks.
- An Improved training programme for repairs call centre staff including access to a 'repairs knowledge library' to assist with first time resolutions to customers

Repeat visits

7.6. Some blocks are designed so that the main water / soil stack serves numerous properties, with kitchen sinks, bathrooms etc all connected to one system. Often water leaks are hard to trace as water can leak in one place and result in a leak to another part of the building or property. Officers have found this difficult to resolve at times and this does explain in part some of the 'multi visit' issues that we / customers have identified in Central Area.

7.7. Officers only generally use the 72 hours' notice process as a last resort, legal advice is to try everything in terms of contact that we can, prior to invoking the procedure. If water is pouring in we act regardless of any possible legal challenge later on.

7.8. When leaks are intermittent and suspected to be caused by a problem from another property, officers will try to either cold-call, or telephone to arrange definite appointments. Unfortunately they sometimes come across barriers. There are examples of customers who are away on holiday, or not resident at a property all of the time. When they return to the property they shower / bath and a leak occurs. The leak is reported so an officer

attends, but the customer has gone away again so we cannot access the property. This again could explain some of the repeat visit issues and frustrations from customers.

7.9. The following actions have been agreed to help address the issue of repeat visits:

- Kier plumbers and heating engineers are reminded of the need to work together where leaks are hard to identify and reach a conclusion or escalate.
- We will look to provide a named officer for customers to contact to avoid multi conversations when water leak issues are difficult to resolve.
- Vulnerability / language issues be considered in all cases and SCC / Kier officers to be reminded of this.

Communication

7.10. We have reviewed the cases presented at the March Scrutiny meeting and as a result have put in place a number of actions to improve how we communicate with customers:

- An escalation process will be put in place where multiple visits have failed to solve the leak issue. In essence, these cases will be 'red flagged' and management staff in both SCC and Kier will work together to agree the required action / approach and keep customers informed.
- We will look to provide a named officer where possible for customers to contact to avoid multiple conversations when water leak issues are difficult to resolve.
- Vulnerability / language issues will be considered in all cases and SCC officers will be reminded of this.
- Kier Operatives will be re-briefed on the use of interpretation services and the need to proactively identify vulnerability and report these issues back through supervisors.

Performance management / monitoring

7.11. We capture feedback about the repairs service from a variety of sources including independent satisfaction surveys from a company called Viewpoint, face to face surveys, neighbourhood surveys and complaints. The feedback we receive is scrutinised by Customers at monthly Action Planning Group meetings. Learning from this feedback is used to manage and develop the service, and a number of detailed action plans are in place around customer services, call centre and operational repairs delivery.

7.12. The current repairs contract with Kier includes a mechanism for applying performance penalties should Kier fail to hit key performance targets around timescales, quality standards and customer satisfaction.

7.13. All Kier operatives have recently agreed to a new code of conduct. Operatives are aware of the standards expected of them when delivering the service to customers.

Programmed works information

7.14. Information regarding future programme maintenance works can be found at the following link:

<https://www.sheffieldhomes.org.uk/myHome/ImprovingYourHome/HIPSearch.aspx>

7.15. This information is updated on a regular basis as new works programmes are agreed and planned.

Appendix One

Response to a public question raised by Scrutiny Committee on 26th March 2015:

“Which tenant groups have been consulted?” [in reference to the Housing Repairs Cabinet Report]

Tenants have been kept well-informed of progress on the Repairs Project. Updates have been given at February’s and April’s Local Area Housing Forums (LAHFs). All 56 TARAs across the city are invited to these, and so these meetings are representative of all tenants and leaseholders across the city and are a key channel through which the customer voice is heard. The project will be working closely with these, and other, forums over the next 2 years.

Updates have also been given at March’s Housing and Neighbourhoods Advisory Panel meeting and at meetings of the Investment and Repairs Partnership Group. An article will be included in the next edition of the InTouch magazine, which goes to all tenants and leaseholders.

Over the last 12 years tenants have been working closely with the Housing Service to develop customer service standards which are now embedded in the repairs service. As part of the existing repairs service governance arrangements, tenants and leaseholders can attend monthly Action Planning Groups. There are currently three groups whose role is to scrutinise performance and service standards across responsive repairs, heating mechanical and electrical and voids.

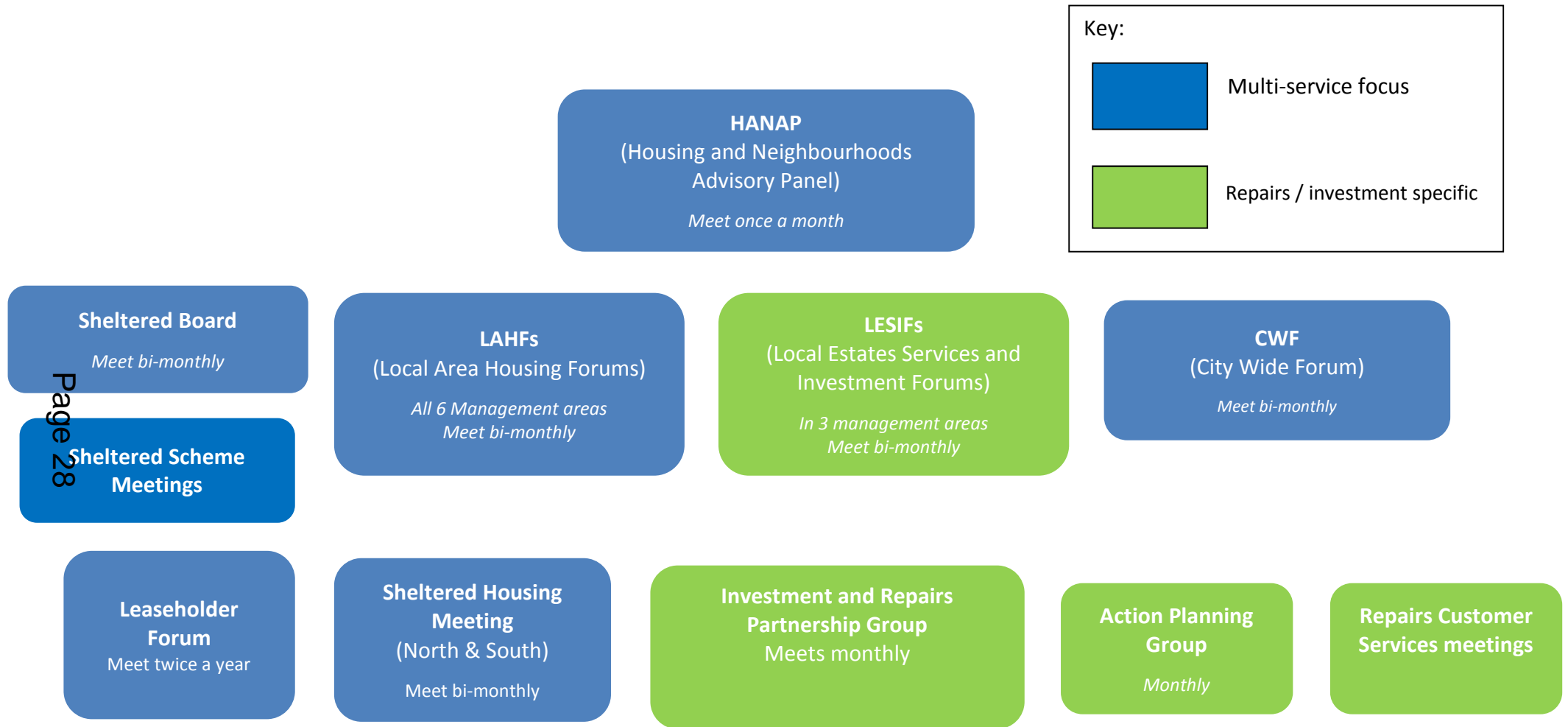
Customers have the opportunity to discuss how performance can be improved and make suggestions based on their day to day experience of the service. These Action Planning Groups are instrumental in ensuring that customers have a direct influence in the way that services are shaped and performance standards maintained.

During the ‘It’s Your Shout’ consultation campaign undertaken as part of the Future of Council Housing Programme, a large number of tenants were consulted with to find out which aspects of the housing service are most important to them. The Repairs Service emerged as one of the most important areas to tenants, and so a dedicated tenant-led Service Design Project Group was established to do more detailed work on building the tenant vision for the future repairs service.

The vision developed and agreed by this Group has formed the basis for work now being done with a sub-group of IRPG to develop a ‘Target Operating Model’ for the service. This Model will describe what the Service needs to do and how it needs to do it - and will help to ensure that the new repairs service achieves the agreed tenant vision.

What matters most to tenants is the performance, service standards and value-for-money of the repairs service - regardless of *who* delivers the service - and so these need to continue to be our focus in the consultation we do over the coming months.

Appendix Two – current structure of the Council Housing Engagement / Governance Structure



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Supplemented by:

- regular communications via tenant magazine 'In Touch'
- regular customer feedback via 'ViewPoint' telephone survey

Appendix Three

Well-Maintained Homes and Neighbourhoods Service Design Project Group: Vision Statement



- Investment and tenancy management services will be joined-up in a way which supports our tenants and leaseholders – particularly the most vulnerable.
- Tenants and leaseholders will play an integral part in shaping and designing investment standards in the future.
- The Council will help to tackle fuel poverty by ensuring that homes are energy efficient and have a modern and well-maintained heating system.
- Homes and neighbourhoods will be safe and secure. They will also be disability-friendly wherever possible.
- We will improve all of our communal areas and ensure they are well-maintained in the future.
- We will ensure that our neighbourhoods are safe, attractive and well-designed to promote long-term sustainability.
- There will be a good quality, modern responsive repairs service which has high standards of customer care and health and safety, and which provides value-for-money. The repairs call centre will be effective and efficient, and workmen will carry the right tools and materials.
- Some simple repair jobs will be dealt with where appropriate by staff in the Council Housing Service. We will provide advice, permission and support to any tenant wanting to make minor repairs and improvements to their home.
- The Handy-Person’s Service will be extended to all elderly and vulnerable tenants in the city.
- There will be effective stock management, which considers all the relevant information to help inform sound investment decisions. We will work closely with our partners to plan and sequence work.
- Vacant properties will be brought up to a lettable standard quickly, including the gardens. We will advise new tenants when any missed Decent Homes work will be completed to their homes.

Appendix Four - Damp and Condensation Leaflet

Circulated as a separate attachment